



City of Milpitas

Request for Proposals for Solid Waste, Recyclables and Organics Collection, Processing and Disposal Services



DRAFT FOR CITY COUNCIL REVIEW

Released June 26, 2015



HF&H Consultants, LLC

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CITY OF MILPITAS, CALIFORNIA
REQUEST FOR PROPOSALS FOR
SOLID WASTE, RECYCLABLES AND ORGANICS
COLLECTION, PROCESSING AND DISPOSAL SERVICES

Proposal Information: The City of Milpitas, California is requesting submittal of separate proposals for:

1. Collection of solid waste, recyclable materials, and organic materials, the processing of recyclable materials and organic materials, street sweeping services, and collection and processing of construction and demolition material¹, and;
2. Disposal of solid waste (and transfer if proposed).

Proposers may submit a proposal for only one of the two categories of services identified above, or may submit separate proposals for both category of services.

Copies of this Request for Proposal (RFP) may be obtained online at www.hfh-consultants.com/Milpitas or by written request sent to MilpitasRFP@hfh-consultants.com.

Proposer Questions and City Responses: All proposer questions must be submitted in writing via email to HF&H Consultants, LLC at MilpitasRFP@hfh-consultants.com. **Do not seek to communicate with City staff regarding the RFP package or RFP process.** Proposer questions and City responses will be issued as addenda, without identifying the party submitting the question.

Register to Receive Future Correspondence and Announcements: If you are interested in receiving future correspondence and announcements related to the City's RFP process, please email HF&H Consultants, LLC at MilpitasRFP@hfh-consultants.com to request that your name be placed on the list of interested parties and with your request submit the executed statement of compliance with the City's Process Integrity Policy (see Attachment 1) as described in Section 4.3.1. Potential proposers must submit the request to register and provide the completed Process Integrity Policy form no later than the date shown Table 1-1.

Receiving the RFP Package, RFP Addenda and Other Updates: Individuals must register, provide complete and accurate contact information, and submit a signed Process Integrity Form. Registered proposers will also receive email notification of the issuance of addenda, or of any other updates to the RFP Package. All relevant documents will be posted online at www.hfh-consultants.com/Milpitas.

Compliance with City's Process Integrity Policy: Proposals will only be accepted from parties that have fully registered including submittal of the executed Process Integrity Policy form. The Process Integrity Policy form must be submitted by the deadline stated in Table 1-1. Any interested party that violates the terms of the Process Integrity Policy may, at City's sole discretion, be disqualified from the City's RFP process.

¹ Construction and demolition debris collection and processing is currently not a franchise service, but the City is considering adding it to the franchise.

Schedule and Schedule Revisions: Table 1-1 in Section 1 provides the schedule. A revised Table 1-1 will be issued any time there is any change to the schedule.

Voluntary Pre-Proposal Meeting: All proposers are invited to attend a pre-proposal meeting on the date and time, and at the location shown in Table 1-1.

Proposal Submittal: All proposals must be received by 3:00 p.m. (Pacific Standard Time) on the date shown in Table 1-1. Proposals received after this time and date may be rejected. Postmarks will not be accepted as proof of receipt. Proposers shall mail or hand-deliver proposal packages to:

Mary Lavelle, City Clerk
City of Milpitas
455 East Calaveras Boulevard
Milpitas, CA 95035
(408) 586-3000 (this phone number provided solely for the use of preparing delivery waybill)

TABLE OF CONTENTS

SECTION 1: INTRODUCTION	1
1.1 Overview	1
1.2 City's Goals and Objectives	2
1.3 RFP Overview	2
1.4 Organization of RFP	3
1.5 RFP Schedule	3
SECTION 2: CURRENT CONDITIONS	5
2.1 Introduction	5
2.2 Data Disclaimer	5
2.3 General Information	5
2.4 Demographic Data	6
2.5 Description of Current Services	8
2.6 Tonnage Data	10
2.7 Account Data	11
2.8 Current Diversion Information	14
2.9 Billing Process	14
2.10 Additional Information	15
SECTION 3: REQUESTED SERVICES	16
3.1 Overview	16
3.2 Collection Proposals - Scope of Services	16
3.3 Disposal Proposal – Scope of Services	26
3.4 Municipal Code Revisions	26
3.5 Reimbursement of Procurement Costs	27
SECTION 4: RFP CONDITIONS AND PROPOSAL SUBMITTAL	28
4.1 Rights Reserved by the City	28
4.2 General RFP Agreements	29
4.3 Proposal Submittal Process	30
4.4 Proposer Review and Examination	33
4.5 Disclaimers	33
4.6 Protection of Confidential Materials	34
SECTION 5: COLLECTION PROPOSAL SUBMITTAL REQUIREMENTS	35
5.1 Outline	35
5.2 Cover Letter	36
5.3 Executive Summary	37
5.4 Company Description	37
5.5 Technical Proposal for Base Services	40
5.6 Technical Proposal for Alternative Services	47

5.7	Environmental Considerations (Optional).....	49
5.8	Acceptance of Franchise Agreement	49
5.9	Cost Proposals.....	50
5.10	Other Proposal Forms.....	54
5.11	Additional Information (Optional).....	54
SECTION 6: DISPOSAL PROPOSAL SUBMITTAL REQUIREMENTS		55
6.1	Outline.....	55
6.2	Cover Letter	55
6.3	Executive Summary	56
6.4	Company Description	56
6.5	Transfer and Transport (Optional).....	58
6.6	Disposal	59
6.7	Material Drop-Off (Optional)	60
6.8	Rate Proposal	61
6.9	Acceptance of Franchise Agreement	61
6.10	Other Proposal Forms.....	62
6.11	Additional Information (Optional).....	62
SECTION 7: PROPOSAL EVALUATION PROCESS		63
7.1	Overview	63
7.2	Initial Review	63
7.3	Disposal Proposal Evaluation and Contractor Selection	63
7.4	Collection Proposal Evaluation and Contractor Selection	65

ATTACHMENTS

1. City's Process Integrity Policy
2. Franchise Agreement for Collection and Processing Services
3. Disposal Agreement
4. Cost Proposal Forms
5. Secretary's Certificate
6. Anti-Collusion Affidavit
7. Iran Certification

LIST OF TABLES

Table 1-1 RFP Schedule tentative dates; may be revised before release	4
Table 2-1 Readily Available Background Information.....	6
Table 2-2 City Population and Household Data.....	7
Table 2-3 Household Data.....	7
Table 2-4 Sampling of Larger Apartment/Townhome Complexes	7
Table 2-5 Current Single-Family, Multi-Family and Commercial Collection Services.....	9
Table 2-6 Franchise Tonnage from Service Area by Current Contractor, by Calendar Year	11
Table 2-7 Single-Family Carts in Service (April 2015)	12
Table 2-8 Multi Family and Commercial Solid Waste Cart and Bin Service (April 2015).....	12
Table 2-9 Multi Family and Commercial Recycling Containers (April 2015)	13
Table 2-10 City Container Collection – Refuse and Recycling (April 2015)	13
Table 2-11 Roll-Off Summary Report (2014)	13
Table 2-12 Commercial Food Scrap Pilot – Container Count (April 2015)	14
Table 2-13 Commercial Food Waste Customers (April 2015)	14
Table 2-14 Information Available for Download	15
Table 3-1 Single-Family Collection Services.....	19
Table 3-2 Multi-Family Collection Services.....	20
Table 3-3 Commercial Collection Services	21
Table 3-4 Other Services	23
Table 5-1 Proposal Outline	35
Table 6-1 Proposal Outline	55

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SECTION 1: INTRODUCTION

1.1 Overview

The City of Milpitas, California is requesting submittal of separate proposals for the following:

1. Collection Proposal Collection of solid waste, recyclable materials, and organic materials generated by residents and businesses located in the City, processing of the recyclable materials and organic materials, street sweeping services, and potentially collection and processing of construction and demolition material. These services will be provided under a new Franchise Agreement that will commence on September 6, 2017 with a base term of 10 years, ending December 31, 2027.
2. Disposal Proposal Disposal of the solid waste, transfer if proposed, and drop-off options for residents. These services will be provided under a new Disposal Agreement that will commence on September 6, 2017 with a base term of 20 years, ending December 31, 2037.

The City service area includes approximately 13,500 single-family accounts and 560 commercial and 1,000 multi-family and commercial accounts. The City's General Plan provides for substantial infill growth over the coming years. Republic Waste Services, Inc. (Republic) currently provides collection and disposal services in Milpitas through several agreements with the City that will expire on September 5, 2017.

The key goals for both Agreements are to provide cost-effective, high quality service for residents and businesses in the City and to ensure full compliance with the State of California's (State) diversion mandates.

Collection proposers are required to submit cost proposals with specified for costs for each customer type and line of business; the City will negotiate final City fees and rates with one or more finalists. Disposal proposers are required to submit rate proposals for per-ton compensation for disposal and transfer (if needed) services. Per-ton rates for the selected disposal contractor will be included in the final rates.

The following subsections present: the goals and objectives of the City; an overview of this RFP; a description of the RFP's organization; the RFP schedule; and, a list of readily available background information.

Note that many terms used in this RFP are defined in Exhibit A to the proposed Franchise Agreement and/or Exhibit A to the proposed Disposal Agreement, which are provided in Attachments 2 and 3 of this RFP, respectively.

1.2 City's Goals and Objectives

Collection Proposal: The City is requesting proposals from companies that place a high priority on providing high quality and cost effective service, and have demonstrated experience providing solid waste, recyclable materials, organic material, street sweeping services, and construction and demolition debris collection and processing services comparable to those described in this RFP, under a franchise agreement with a community comparable to the City.

Disposal Proposal: The City is requesting proposals from companies that have demonstrated experience providing safe and environmentally acceptable disposal services comparable to those described in this RFP.

The City's goals and objectives for both proposals are to:

- Provide service at reasonable rates that are effectively managed over the term of the Franchise Agreement and Disposal Agreement to minimize future rate increases;
- Maintain high standards for customer service and convenience;
- Meet State and local diversion requirements;
- Minimize environmental impacts of the collection operations;
- Work with a contractor that cooperatively delivers service to customers and City, and with flexibility in addressing issues as they arise;
- Engage a collection contractor that is a strong community citizen by supporting the City, its schools, community groups, and business community; and,
- Work with a collection contractor that offers City access to routing, customer service, customer account, and tonnage data through use of integrated technology systems.

1.3 RFP Overview

Collection Proposals

Collection Proposals will provide collection services, transfer services as necessary to deliver material to the proposed recyclables and organics processing facilities, assured capacity for processing City materials at recyclables and organics processing facilities, and street sweeping services. The RFP provides Collection Proposers with an assumed distance for transporting collected solid waste off-route for delivery to the Disposal Contractor.

Collection Proposals will include a "Base Proposal" that covers collection services and programs that are very similar to the current scope of services as well as several "Alternative Proposals" that address new programs for residents and businesses. Key Alternative Services include the addition of single family food scraps collected with yard trimmings and collection and processing of C&D materials, a service currently provided through a nonexclusive system. The technical and cost proposals for the Alternative

Proposals will be evaluated and used by the City to determine if one or more of the alternative services will be included in the final scope of the Agreement, as well as to allow ratepayers a means for understanding any added cost that may result from pending diversion programs mandated by AB 1826.

Disposal Proposals

Disposal Proposals will provide the City with assured disposal facility capacity, and transfer and transport services as necessary to reach the proposed disposal facility. Disposal Proposers are also requested to offer one or more options for “free drop-off” by City residents at the proposed transfer or disposal facility, and/or at a convenient local location.

1.4 Organization of RFP

This RFP is organized into six sections as follows:

Section 1 provides a brief introduction to the RFP.

Section 2 provides information on current conditions.

Section 3 presents the scope of requested collection and processing services.

Section 4 provides the RFP policies, conditions, and submittal process.

Section 5 describes the collection proposal submittal requirements.

Section 6 describes the disposal proposal submittal requirements.

Section 7 outlines the proposal evaluation process and criteria by which the proposals will be evaluated.

The attachments include the draft Franchise Agreement, draft Disposal Agreement, proposal forms, and the Process Integrity Policy form.

1.5 RFP Schedule

The key activities and completion dates for the RFP process are provided in Table 1-1. The RFP process is described in detail in Section 4. All questions regarding the RFP must be submitted in accordance with guidelines specified in Section 4.3.

Table 1-1
RFP Schedule tentative dates; may be revised before release

Any changes in activities or dates will be transmitted to proposers in the form of a revised Table 1-1.

ACTIVITY	COMPLETION DATE/TIME FRAME
Notification regarding RFP availability begins; registration process begins	June 17, 2015
City releases RFP for Collection and Processing Services	June 26, 2015
Deadline for submittal of written questions before the pre-proposal meeting	July 24, 2015
Pre-proposal meeting at Milpitas City Hall	July 28, 2015, 10AM – 12PM
City issues addendum, as necessary addressing questions received at or prior to the pre-proposal meeting.	August 7, 2015
Deadline for submittal of Process Integrity Policy Form and for registering to receive future correspondence and announcements	September 4, 2015
Deadline to object to the form of the RFP	September 11, 2015
Deadline to submit additional written questions	September 11, 2015
City issues addendum, as necessary addressing additional questions.	September 18, 2015
Proposers submit proposals	October 29, 2015
Disposal: City conducts interviews with one or more proposers, as needed	TBD
Disposal: City Council selects disposal contractor	TBD
Disposal: City negotiates with disposal contractor	TBD
Disposal: City Council approves negotiated Disposal Agreement	TBD
Collection: City conducts interviews with one or more proposers, needed	TBD
Collection: City Council selects collection and processing contractor	TBD
Collection: City negotiates with collection and processing contractor	TBD
Collection: City Council approves negotiated Franchise Agreement	June 2016
Contractor(s) commences services	September 6, 2017

SECTION 2: CURRENT CONDITIONS

2.1 Introduction

This Section 2 provides information including:

- General sources of website information for the City of Milpitas (City) and Republic Services Inc. (Republic).
- Current and projected demographic data for the City.
- Summary information regarding current solid waste services.
- Tonnage and account data related to current solid waste services.
- Current diversion.
- Current customer billing.
- Current services information available as downloads from the RFP website.

2.2 Data Disclaimer

The information contained in this Section 2 is provided for informational purposes only, its accuracy has not been independently verified, and its use is in no way intended to substitute for proposers' independent evaluation of the City's needs and how each proposer may best meet them. Each proposer should take whatever steps it believes are necessary to reasonably understand the service conditions and requirements of the City when preparing its proposal. Summary information presented in table format is provided for proposer convenience only, and proposers should refer to each specifically cited source of the information and the materials available for download as listed in Table 2-14. Each proposer, in submitting a proposal agrees to indemnify and hold the City harmless from any and all claims of damages incurred by the proposer arising from or related in any way to its reliance on this data.

2.3 General Information

Table 2-1 lists sources of background information for the City. Proposers are encouraged to view the City's and Santa Clara County's websites for additional useful information.

Table 2-1
Readily Available Background Information

Resource	Relevant Content	Location
City of Milpitas website	<ul style="list-style-type: none"> • General information • General Plan • Municipal Code, Chapter 200 of Title V • Current rates 	http://www.ci.milpitas.ca.gov/
Santa Clara County website	Information on recycling and special waste programs in Santa Clara County	http://www.sccgov.org/sites/scc/Pages/default.aspx
Milpitas Chamber of Commerce	Information on doing business in the City	http://www.milpitaschamber.com/

2.4 Demographic Data

The City revised its General Plan in 2008 with significant projected long-term infill growth. In recent years, developers have proposed a number of projects that, if approved and built could add a significant number of residential and small commercial solid waste accounts. Development activity has lagged in recent years due to broad economic conditions, but is now increasing. See Section 3.2.1 for discussion of the challenges of infill growth and City expectations of the collection contractor.

Table 2-2 presents residential data for Milpitas, with projections reflecting population growth of 47 percent from 2010 to 2030. The City has an average of 3.34 persons per household, the second highest population density in Santa Clara County (County).

Table 2-3 and Table 2-4 provide housing-related information. As provided in Table 2-3, compared to other cities in Santa Clara County, Milpitas now has a high number of single family housing units vs multi-family units, relative to its population and the total housing units provided in Table 2-2. However, with a relative emphasis on multi-family growth the ratio will change. Milpitas has three mobile home parks, with about 419 units. Mobile home residents have specific rates.

Table 2-4 provides a sampling of City data regarding larger apartment and condo/townhome complexes based on number of units. The information is culled from the cited data source, a sortable Excel file and is not in any specific order.

**Table 2-2
City Population and Household Data**

	Population	Households*	Persons per Household
2010	66,790	19,184	3.34
2020	82,300	n/a	n/a
2030	98,100	n/a	n/a

Sources: 2010 data is from the 2010 Census. 2020 and 2030 population projections are from City of Milpitas General Plan.

**Occupied Housing Units. General Plan does not provide projected units.

**Table 2-3
Household Data**

Single Homes	Two to Four Units	Five Plus	Mobile Homes
15,246	1,460	3,914	419

Source: CA Department of Finance Table E-5 City/County Population and Housing Estimates 1/1/2015.

**Table 2-4
Sampling of Larger Apartment/Townhome Complexes**

Apartment Name	Address	Units
Aspen Family Apartments	Mihalakis Street	102
The Paragon	Ede Lane, Snell Place, Bettencourt Way	147
Luna At Terra Serena	South Abel Street	319
Hillcrest	Calle de Cuestanada, Calle Mesa Alta, Calle Oriente, Calle Vista Verde, Cuesta Drive, Monte Ct.	209
Dry Creek Apartment Homes	Dempsey Ave	137
Casa Grande	Lynn Ave	84
DeVries Senior Housing	North Main Street	103
133	North Temple Drive	88
207-399	North Temple Drive	70
Cerano Apartments	Murphy Ranch Road	373
Centria	South Main Street	141
Park West	South Main Street	72
Reflections	Pond Court	68
Victorian Square	Milpitas Blvd.	96
Spinnaker Pointe Apartments	Dixon Landing Road	220
Sunny Hills Apartments	Sunny Hills Drive	171
Monte Vista Apartments	South Main Street	332

Apartment Name	Address	Units
The Crossing at Montague	East Capitol Ave	472
Mill Creek Apartments	Dixon Landing Road	514
Terrace Gardens	Beresford Court	155
Dixon Landing Townhomes	N Abbot Ave	224
Parc Place	Park Place Drive	293
Park Metro	Cloud Walk, Wind Song, Rain Walk, Sun Song, Rain Dance, Moon Shadow Dr., Moon Dance, Wind Walk, Autumn Wind, Fire Walk, etc.	382
Apex Apartments	South Abel Street	366
The Avenue	South Main Street	202

Source: "MFD Units 7187 Mail Address April 2015". Provided to HFH April 2015

2.5 Description of Current Services

Overview

Chapter 200 of Title V of the Milpitas Municipal Code has extensive detail regarding current services. Residents and businesses are required to subscribe to, and pay for solid waste collection services through the City's franchised collector. Section V-200-3.40 of the Milpitas Municipal Code states: "No more than one week's accumulation of putrescible solid waste shall be kept or be permitted to remain upon any premises in the City. At least once each week all putrescible solid waste produced, kept or accumulated within any premises in the City shall be disposed of in accordance with the provisions of this Chapter." Republic collects solid waste, recyclable materials, and organic materials from residents and businesses. The City currently performs single-family billing services as part of its utility billing services; multi-family and commercial billing is provided by Republic.

Republic collects solid waste and recyclable materials from City facilities and public litter and recycling containers. Current City facilities are listed in Exhibit F of the Franchise Agreement. The City also delivers material generated through routine maintenance of City parks, fields, and streets to Republic's Newby Island Landfill, Recyclery and Compost Facility (Newby Island). Republic provides 500 yards of hauling and disposal services for special cleanups and or emergency disposal, and confidential City document shredding as requested by the City. Republic provides containers for up to six City-sponsored events at no charge.

Temporary debris box service is provided through a nonexclusive system that presently has thirteen collectors. As discussed in Section 3, the City is considering incorporating this service into the Franchise Agreement. The template agreement is available as provided in Table 2-14.

Republic delivers all materials for processing or disposal to the Newby Island. City residents and small businesses can self-haul small volumes of household hazardous waste and hazardous materials to one of the County's household hazardous waste facilities.

Current Service Detail

Table 2-5 summarizes the City's current solid waste, recyclable materials, and organic materials collection services provided to single-family, multi-family, and commercial customers, as well as new multi-family and commercial organics collection services mandated by AB 1826 that will begin in 2016 under the current agreement. See the current agreement (Table 2-13) and the Municipal Code for a full description of current services.

A key feature of the current system is that single family customers are provided unlimited collection of solid waste, and have the option to use their own containers or to rent a 96 gallon cart for solid waste. As described in Section 3, the City is seeking proposals both to provide single family solid waste service similar to the current approach, as well as a conventional cart-based system for solid waste as well as recyclables and organics.

Table 2-5
Current Single-Family, Multi-Family and Commercial Collection Services

Service	Single-Family	Multi-Family	Commercial
Solid Waste	<ul style="list-style-type: none"> Weekly, curbside collection 96-gallon carts provided by contractor at customer option with a monthly rental fee; additional carts available for an additional fee or, Unlimited number of 32-gallon customer-provided cans or bags 	<ul style="list-style-type: none"> 96-gallon carts, 1 to 8 cubic yard bins provided by contractor, compactors for high density developments 	<ul style="list-style-type: none"> 32- and 96-gallon carts, 1 to 8 cubic yard bins, 10 to 50 yard drop boxes provided by contractor and compactors in a range of sizes
Recyclable Materials	<ul style="list-style-type: none"> Weekly, curbside collection Commingled (single-stream) system using containers provided by contractor 32-*, 64-, or 96-gallon cart provided by contractor 	<ul style="list-style-type: none"> Current fee of \$4.39/unit/month Commingled system using 32-**, 64-, 96-gallon carts, 1-6 yard bins, or 8-40 yard drop boxes provided by contractor 8 to 40 yard compactors can be rented from contractor or third-party 	<ul style="list-style-type: none"> At least once every 30 days (60 days for compactors) collection or more frequent 32- and 96-gallon carts, 1 to 8 cubic yard bins, 10 to 50 yard drop boxes provided by contractor 8 to 40 yard compactors can be rented from contractor or third-party 10 to 50 yard drop boxes with minimum of 2.5 hauls per month Deskside recycling boxes

Service	Single-Family	Multi-Family	Commercial
Yard Waste	<ul style="list-style-type: none"> Weekly, curbside collection 96-gallon cart provided by contractor 32-gallon customer-provided containers may be set out with stickers from contractor Extra material may be bundled and placed next to cart Holiday trees may be placed next to solid waste containers 	<ul style="list-style-type: none"> Yard waste collection program to begin April 2016 to comply with AB 1826 Holiday trees may be placed next to solid waste containers 	<ul style="list-style-type: none"> Yard waste collection program to begin April 2016 to comply with AB 1826 Holiday trees may be placed next to solid waste containers
Food Scraps	None	None	<ul style="list-style-type: none"> Pilot scale program with ten businesses Food scrap collection program to begin April 2016 to comply with AB 1826
Backyard or Sideyard Service	<ul style="list-style-type: none"> Provided to senior citizens or disabled at no additional cost 	Not applicable	Not applicable
Other	<ul style="list-style-type: none"> Two community-wide bulky item collection events per year at no charge Used motor oil and oil filter collection provided curbside weekly at no charge Household Dump Day every 2nd and 4th Saturday of each month for non-commercial solid waste at Newby Island Landfill*** Two annual on-call bulky item pickups for seniors 	<ul style="list-style-type: none"> Three on-call bulky item collection clean-ups per year at no charge Household Dump Day every 2nd and 4th Saturday of each month for non-commercial solid waste at Newby Island Landfill*** 	<ul style="list-style-type: none"> Will provide free monthly report of volumes of material collected upon customer's written request

* 32 gal option for seniors/ high-density households

** 32 gal option for mobile homes

*** Except when Christmas and New Year's falls on a Saturday

2.6 Tonnage Data

Table 2-6 summarizes City information provided by Republic for tonnages of material collected by year from the service area.

Table 2-14 provides a summary of 2014 information reported by the temporary debris box haulers. For 2014, tonnage data collected by the City from the nonexclusive haulers indicates that the temporary debris box system resulted in collection of in excess of 9,460 tons. However, three of the haulers including Republic did not report tonnage data. Republic indicates that the roll-off data reported in its franchise annual reports includes its temporary debris box tons.

Table 2-6
Franchise Tonnage from Service Area by Current Contractor, by Calendar Year

	2012	2013	2014
Residential Solid Waste (Includes MUD)	20,181	18,855	18,938
Commercial	23,824	26,921	27,453
Industrial (Roll-Off)	10,793	11,015	12,109
Self-Haul	2,068		2,443
Household Dump Day	<u>3,757</u>		<u>4,156</u>
Total Solid Waste	60,623		65,099
Residential Single Stream (Includes MUD)	4,718	4,656	4,791
Commercial Single Stream	3,921		4,387
Industrial R.O. (Includes Wood)	<u>3,487</u>	<u>4,584</u>	<u>4,386</u>
Total Recyclable Materials	12,126		13,564
Residential Organic Material	4,912	5,095	4,807
Commercial (Pilot Program)*			452
Self-Haul			
Total Organic Material			
Total (tons)			
Bulky Goods (#)	136		226

Source: Republic's Annual Reports to the City for years 2012-2014.

*Commercial Organics Tonnage reported by Republic per 5/7/2015 email to City.

2.7 Account Data

Tables 2-7 through 2-12 provide customer account information:

- Table 2-7 provides information for single-family collection for all three streams.
- Table 2-8 provides information for multi-family and commercial solid waste collection.
- Table 2-9 provides information for multi-family and commercial recycling collection.
- Table 2-10 provides information for collection of City containers.
- Table 2-11 provides information for collection of roll-off materials.
- Tables 2-12 and 2-13 provide information for the commercial food scrap pilot program.

Table 2-7 includes smaller multi-family complexes receiving cart service. (See Section 3.2.2 for discussion of “Single-Family Style” service.)

Single-family account information is summarized in Table 2-7.

Table 2-7
Single-Family Carts in Service (April 2015)

	Solid Waste	Recycling*	Yard Waste*
Customer Owned Can/Bag	7,429		
Rented 64-gallon cart	18		
Rented 96-gallon cart	6,198	13,780	12,596
Total	13,645	13,780	12,596

Source: “Garbage Cart Rented Per Location” provided to HFH April 2015

*Provided by Republic per 5/7/2015 email to City.

Table 2-8
Commercial Solid Waste Cart and Bin Service (April 2015)

Multi Family and Commercial Solid Waste Count (# of Containers)								
		Collections per Week						
		1	2	3	4	5	6	TOTAL
Container Size	32 gal	7	0	0	0	0	0	7
	64 gal	4	0	0	0	0	0	4
	96 gal	72	0	0	0	0	0	72
	1 cy	108	5	0	0	0	0	113
	1.5 cy	7	1	0	0	0	0	8
	2 cy	175	28	19	0	1	2	225
	2.5 cy	1	0	0	0	0	0	1
	3 cy	82	32	19	2	8	2	145
	4 cy	119	81	53	15	25	7	300
	6 cy	29	14	7	3	2	0	55
	8 cy	31	19	12	2	6	1	71
	Total	635	180	110	22	42	12	1,001

Source: “City of Milpitas Commercial Data – Final”

Provided to HFH April 2015

**Table 2-9
Commercial Recycling Containers (April 2015)**

Multi Family and Commercial Recycling Count (# of Containers)								
		Collections per Week						
		1	2	3	4	5	6	TOTAL
Container Size	32 gal	1	0	0	0	0	0	1
	64 gal	134	0	0	1	0	0	135
	96 gal	27	1	0	0	0	0	28
	1 cy	66	5	3	0	0	0	74
	2 cy	111	6	6	0	2	1	126
	3 cy	50	7	15	0	1	1	74
	4 cy	82	45	23	5	10	6	171
	6 cy	7	3	2	0	1	0	13
	8 cy	18	9	8	1	7	3	46
	Total	496	76	57	7	21	11	668

Source: "City of Milpitas Commercial Data – Final"
Provided to HFH April 2015

**Table 2-10
City Container Collection – Refuse and Recycling (April 2015)**

Location	Count
Bus Stops	82
Total	

Source: "City of Milpitas Bus stop"
Provided to HFH April 2015

**Table 2-11
Roll-Off Summary Report (2014)**

Material	Loads	Tons
MSW	2,923	12,089
Recycling	265	637
Total	3,188	12,726

Source: "City of Milpitas Roll-Off Data"

Table 2-12
Commercial Food Scrap Pilot – Container Count (April 2015)

Commercial Food Scrap Customers (# of Containers)							
		Collections per Week					
		1	2	3	4	5	TOTAL
Container Size	1 cy	1	1	1			3
	2.0cy	2	1				3
	3.0cy	1	2			1	4
	Total	4	4	1		1	10

Source: "City of Milpitas Commercial Data – Final"
Provided to HFH April 2015

Table 2-13
Commercial Food Waste Customers (April 2015)

	Customer Name
1	Beverly Heritage Hotel
2	Shirdi Sai Parivaar
3	CISCO Systems
4	XL Construction
5	Sandisk
6	Chili's
7	KLA
8	Headway Technologies
9	CIWA/Regency Tasman (Tasman Drive)
10	CIWA/Regency Tasman (McCarthy Blvd)

Source: "City of Milpitas Commercial Data – Final"
Provided to HFH April 2015

2.8 Current Diversion Information

The City has an AB 939 diversion level, as measured by the SB 1016 pounds of disposal method of 60.2%. The State's target per-resident disposal rate for Milpitas is 6.3 pounds per day and the City is achieving 5.0 pounds per day.

2.9 Billing Process

The City bills residential customers bimonthly in arrears of the provision of service through the City's utility billing system. Republic bills commercial and roll-off customers monthly in advance of the provision of service. The City is diligent in its efforts to collect residential revenues.

2.10 Additional Information

Table 2-14 identifies materials that are available via download from the procurement web page or through the specified links, as discussed in Section 2 or in other portions of the RFP. See Section 4 regarding the RFP Package Web Page.

Table 2-14
Information Available for Download

Number	Document	Location	Notes
1	Current Agreement and Exhibits	Available as download on RFP Package Web Page	
2	Construction and Demolition Debris Ordinance	http://library.municode.com/HTML/16311/level2/TIT15BUCO_CH15.64REDI_CODEDE.html	
3	MFD Complexes	Available as download on RFP Package Web Page	
4	<i>Others to be added</i>		
5			
6			
7			
8			
9			

SECTION 3: REQUESTED SERVICES

3.1 Overview

This Section provides a description of the requested services for Collection Proposals and Disposal Proposals, with services commencing September 6, 2017. Proposers may submit separate proposals for either or both of the services. The Franchise Agreement for collection services will be for a period of ten (10) years and the Disposal Agreement will have a twenty (20) year term. The Agreements may be extended as specified. See Section 3.2 for Collection Proposal information and Section 3.3 for Disposal Proposal information.

3.2 Collection Proposals - Scope of Services

3.2.1 Overview

The City is requesting that Collection Proposers submit a “Base Proposal” and several “Alternative Proposals.” The technical and cost proposals for the Alternative Proposals will be evaluated and used by the City to determine if one or more of the alternative services will be included in the final scope of the Franchise Agreement. The scope of services for the Base Proposal and Alternative Proposals are summarized in this Section 3.2. Proposers are required to submit a response for the Base Proposal. Proposers are also required to submit responses for Alternative Proposals, except those identified as “optional”.

The Franchise Agreement presents all of the contract terms and conditions including a complete description of the requested collection and processing services. It also describes contractor’s compensation and rate-setting methods, dispute resolution, indemnification, insurance, performance assurances, defaults and remedy provisions, termination rights, performance standards and consequences for non-compliance, reporting obligations, and other provisions. If there are differences between the summary of collection and processing services described in this RFP and the Franchise Agreement and/or Disposal Agreement, the terms and conditions in the Franchise Agreement and/or Disposal Agreement prevail.

The collection contractor shall have the exclusive right to collect, process, and market residential and commercial solid waste, recyclable materials, and organic materials, except as provided in Section 1.1 of the Franchise Agreement (such as specialty recyclables which may be collected by others). These exclusive rights are consistent with current practice. The contractor may use its own processing site or a subcontractor’s processing site. Proposers may offer use of a transfer station as they deem necessary to access processing facilities. Should proposers recommend a facility site located in the City, the site will be subject to the City’s strict development permit review process.

As with many Bay Area communities, the planned infill growth noted in Section 2.4 is, and will increasingly entail mixed use buildings with residential and commercial units, as well as high density residential areas located near commercial areas. The result will be a wide range of housing types, with challenges for providing cost effective and customer friendly solid waste service such as collection hours, collection noise, narrow streets, buildings with limited vehicle ingress and egress, and limited container storage areas.

Proposers should assume use of new collection vehicles and containers. At a minimum, collection vehicles shall meet State of California Air Resources Control Board regulations for “Diesel Particulate Matter Control Measure for On-Road Heavy-Duty Residential and Commercial Solid Waste Collection Vehicle Diesel Engines.” Proposers should assume an average vehicle and container life of 10 or more years and plan to depreciate vehicles and containers over a 10-year period for the purposes of determining depreciation and interest expenses. At the end of the Franchise Agreement, the contractor will need to assume responsibility for any remaining book value of the equipment and turn ownership of containers over to City (at City’s option).

Proposers may choose the type of vehicle fuel at their discretion.

The City requires that all Collection Proposers identify a site or potential sites to be used for staging equipment and personnel, performing equipment maintenance, and transferring (if necessary) recyclable materials and organic materials. New facilities in the City limits will need to conform to the City’s strict development permit review process.

The collection contractor may enter into agreements with subcontractors to provide services requested in the RFP subject to the prior written consent of the City. Subcontractor arrangements shall be disclosed in the proposal. Agreements with the subcontractor(s) must meet the requirements of the level and type of insurance specified in Article 9 of the Franchise Agreement.

3.2.2 Base Services

Tables 3-1 through 3-4 summarize the required Base Services. In general, the Base Services are very similar to current services as described in Section 2 and in the Tables 3-1 through 3-4, and they reflect the addition of AB 1826-mandated organics programs that will take effect in 2016 under the current collection agreement. See additional information below regarding the Base Services Additional service requirements are detailed in the Franchise Agreement.

A. Single-Family Service

With regard to single-family solid waste collection proposal that continues the current combined system of customer-owned containers and contractor provided carts, proposers are encouraged to be creative in determining how best to provide the service. Customer-owned containers are currently collected using Curato cans and front end loaders.

With regard to single-family solid waste collection that continues the current combined system of customer-owned containers and contractor provided carts, proposers should suggest options to allow customers to effectively purchase rather than rent carts. For instance, one option would be a cart “rental” fee that is based on amortizing the cost of the cart over ten years, coupled with contractor ability to deliver used carts after the initial roll-out and possibly to charge a service change fee should a carat customer decide to switch to use of their own container.

B. Multi-Family Service

Table 3-2 addresses the full spectrum of multi-family complexes. In general, smaller multi-family complexes receive “Single-Family Style” service using carts, while larger multi-family complexes receive “Multi-Family Style” centralized bin service. The City, through the planning process determines the general type of service to be provided at new approved complexes, and in some cases use of compactors is required a condition of approval due to space constraints. Note also that the City has recently approved use of a consolidation service at one complex, and more may follow. Consolidators are not permitted to remove material from the site, but the Franchise Contractor will need to coordinate with property managers at these sites regarding provision of service. Collection Proposers should consider these factors when making decisions regarding vehicles and routing. Route productivity assumptions should demonstrate flexibility in addressing the needs of specific customer types (including those dictated as conditions of approval), tailoring service for instance with centralized bin and/or decentralized carts.

C. Recyclable Materials


The City is interested in enhancing the single stream collection program for all customers by expanding the type of materials collected, such as adding plastic film, bags and wrappers of all colors and black plastics. However, adding materials to the program is at proposer option.

Base services include replacing the two community-wide cleanups with four on-call cleanups. However, if a proposer believes the former to be more cost-effective than the latter, it should state as such and provide its assumptions.

D. On-Call Cleanups

Note that whether a multi-family complex receives Single-Family Style (carts) or Multi-Family Style (bins or other centralized collection) to some extent dictates what other services are available. Thus as noted in Table 3-2, complexes with cart service will receive free on-call events while those with centralized services will receive on-call events for a fee.

E. City Facilities

As shown in Table 3-4, the City currently receives collection from City facilities including the corporation yard at no added charge. The City also currently receives disposal at the Newby Island Recyclery of up to  cubic yards of City-delivered material at no added charge. Depending on the location of the future

disposal site, the self-haul material may instead be transported by City crews to the corporation yard for Franchise Contactor collection. See discussion in Section 5.9 and 6.8 regarding this material.

F. Special Events

As shown in Table 3-4, the City currently receives collection of up to 1,000 cubic yards per year from special events and other city cleanups at no added charge. See discussion in Section 5.9 and 6.8 regarding this material.

Table 3-1
Single-Family Collection Services

Service	Current Services	Base Services	Alternative Services
Mandatory Service	<ul style="list-style-type: none"> Customers required to subscribe to and pay for solid waste, recyclable materials, and organic materials 	<ul style="list-style-type: none"> Same as current service 	N/A
Solid Waste	<ul style="list-style-type: none"> Weekly curbside collection 96-gallon carts provided by contractor at customer request (rental fee for contractor-provided cart; additional carts available for an additional fee); or, Unlimited number of 32-gallon customer-provided cans or bags 	<ul style="list-style-type: none"> Same as current service, <u>plus:</u> <i>32-gallon and 64-gallon carts</i> <i>Cart purchase option (see text)</i> 	<ul style="list-style-type: none"> Solid waste cart system using 32-, 64-, 96-gallon carts Unlimited setout options
Recyclable Materials	<ul style="list-style-type: none"> Weekly curbside collection Commingled (single-stream) system; 32*, 64- or 96-gallon carts provided by contractor 	<ul style="list-style-type: none"> Same as current service, <u>plus:</u> <i>Curbside cooking oil collection, with option to provide drop-off location</i> <i>Expanded list of recyclables at proposer option</i> 	N/A
Yard Waste	<ul style="list-style-type: none"> Weekly curbside collection; 96-gallon cart provided by contractor; 32-gallon customer provided containers may be used with stickers Extra material may be placed next to cart Curbside holiday tree pick up at no cost 	<ul style="list-style-type: none"> Same as current service 	N/A

Service	Current Services	Base Services	Alternative Services
Food Scraps	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> Collection of food scraps and food-contaminated paper with yard trimmings; indoor pails
Backyard/Side Yard Service	<ul style="list-style-type: none"> Provided to senior citizens and disabled customers at no additional cost 	<ul style="list-style-type: none"> Same as current service 	<ul style="list-style-type: none"> N/A
Other	<ul style="list-style-type: none"> Two community-wide bulky item clean-ups Two on-call bulky pick-ups per year for seniors Weekly used motor oil and oil filter collected curbside Weekly household battery collection curbside Sharps disposal by mail City bills services 	<ul style="list-style-type: none"> Same as current service <u>except:</u> <i>Replace two community-wide cleanups with 4 on-call bulky pick-ups per year</i> <i>Contractor to bill services with local option for in-person bill pay</i> 	<ul style="list-style-type: none"> N/A

Italics denote Base Services changes from Current Services.

* 32 gal option for seniors/ high-density households

Table 3-2
Multi-Family Collection Services

Service	Current Services	Base Services	Alternative Services
Mandatory Service	<ul style="list-style-type: none"> Customers required to subscribe to and pay for solid waste collection 	<ul style="list-style-type: none"> Same as current service 	N/A
Solid Waste	<ul style="list-style-type: none"> At least weekly collection; Contractor-provided carts or bins; 96-gallon carts or 1-8 yard bins provided by contractor 	<ul style="list-style-type: none"> Same as current service, <u>plus:</u> <i>32-gallon and 64-gallon carts</i> 	N/A
Recyclable Materials	<ul style="list-style-type: none"> At least weekly collection; Contractor charges \$4.39/unit/month for recycling; Commingled (single-stream) system; 32-*, 64- or 96-gallon carts provided by contractor 	<ul style="list-style-type: none"> Same as current service, <u>plus:</u> <i>Expanded list of recyclables at proposer option</i> 	N/A

Service	Current Services	Base Services	Alternative Services
Yard Waste	<ul style="list-style-type: none"> Yard waste recycling program to begin April 2016 to comply with AB 1826 	<ul style="list-style-type: none"> Same as current service 	<ul style="list-style-type: none"> Per AB 1826, add 4 CY/week solid waste generators as of 1/1/19 Per AB 1826, add 2 CY/week solid waste generators as of 1/1/20**
Food Scraps	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> Same as current service 	<ul style="list-style-type: none"> N/A
Other	<ul style="list-style-type: none"> Two annual community wide cleanups Billing services 	<ul style="list-style-type: none"> Same as current service, except: <ul style="list-style-type: none"> <i>Four on-call bulky item cleanups at no added charge for properties with Single Family style.</i> <i>On-call bulky item cleanups available for a fee for properties with Multi-Family style.</i> 	<ul style="list-style-type: none"> N/A

Italics denote Base Services changes from Current Services.

* 32 gal option for mobile homes.

** Will apply if by 1/1/20 CalRecycle determines disposal of organic waste is not below 50% of 2014 levels.

Table 3-3
Commercial Collection Services

Service	Current Services	Base Services	Alternative Services
Mandatory Service	<ul style="list-style-type: none"> Customers required to subscribe to and pay for solid waste collection 	<ul style="list-style-type: none"> Same as current service 	N/A
Solid Waste	<ul style="list-style-type: none"> At least weekly collection; Contractor-provided carts, bins, roll-off boxes or compactors; 32- or 96-gallon carts or 1-8 yard bins; 	<ul style="list-style-type: none"> Same as current service 	N/A

Service	Current Services	Base Services	Alternative Services
Recyclable Materials	<ul style="list-style-type: none"> At least once every 30 days (or 60 days for compactor) collection; Commingled (single-stream) system; Additional fee for recycling 32-, 64- or 96-gallon carts or 1-8 yard bins provided by contractor 10-50 yard roll-off container (must be picked up 2.5 times per month or bin rental fee applies) Deskside recycling boxes 	<ul style="list-style-type: none"> Same as current service, <u>plus</u>: <i>Expanded list of recyclables at proposer option</i> 	N/A
Yard Waste	<ul style="list-style-type: none"> Yard waste collection program to begin April 2016 to comply with AB 1826 	<ul style="list-style-type: none"> Same as current service 	<ul style="list-style-type: none"> Per AB 1826, add 4 CY/week solid waste generators as of 1/1/19 Per AB 1826, add 2 CY/week solid waste generators as of 1/1/20*
Food Scraps	<ul style="list-style-type: none"> Pilot-scale food scrap program Food scrap collection program to begin April 2016 to comply with AB 1826 	<ul style="list-style-type: none"> Same as current service 	<ul style="list-style-type: none"> Per AB 1826, add 4 CY/week solid waste generators as of 1/1/19 Per AB 1826, add 2 CY/week solid waste generators as of 1/1/20*
Other	<ul style="list-style-type: none"> Billing services 	<ul style="list-style-type: none"> Same as current service, <u>plus</u>, <i>On-call bulky item cleanups available for a fee.</i> 	<ul style="list-style-type: none"> N/A

Italics denote Base Services changes from Current Services.

* Will apply if by 1/1/20 CalRecycle determines disposal of organic waste is not below 50% of 2014 levels.

**Table 3-4
Other Services**

Service	Current Requirements	Base Services	Alternative Services
City Facilities	<ul style="list-style-type: none"> Free collection from City facilities (excluding schools) Free recycling to city facilities and parks and for rigid containers as needed Free shredding of confidential City documents Free collection at bus stops and container maintenance Free self-haul delivery of solid waste and recyclables generated during maintenance of parks, fields and streets to Newby island No charge to City 	<ul style="list-style-type: none"> Same as current service except, <i>Proposers should assume that materials now delivered to Newby Island via self-haul will instead be added to other materials collected from the City's corporation yard.</i> 	<ul style="list-style-type: none"> N/A
Special Events	<ul style="list-style-type: none"> Provide 6 free recycling containers to non-profit events 500 yards of free hauling and disposal services per year 500 additional yards of free special cleanup or other civic programs 	<ul style="list-style-type: none"> Same as current service 	<ul style="list-style-type: none"> N/A
Public Outreach	<ul style="list-style-type: none"> Contractor develops and distributes targeted information to customers related to recycling and source reduction Follow City quarterly schedule of development and distribution of collateral materials Assist with outreach and distribution to non-English speaking residents Perform street sweeping outreach Assist with preparation and provide presentations to schools, community and businesses 	<ul style="list-style-type: none"> Same as current service 	<ul style="list-style-type: none"> N/A

Service	Current Requirements	Base Services	Alternative Services
Temp Debris Box Service	<ul style="list-style-type: none"> Temporary debris box service (non-exclusive system) 	<ul style="list-style-type: none"> Same as current service (excluded from franchise services) 	<ul style="list-style-type: none"> Add temporary debris box service to exclusive franchise services, subject to limitations of Section 1.1 of the Franchise Agreement
Street Sweeping	<ul style="list-style-type: none"> Residential areas twice per month (certain areas to be swept weekly during November and December) Commercial and industrial 4 times per month 	<ul style="list-style-type: none"> Same as current service, except <i>Service must utilize vacuum trucks and recycled water</i> 	<ul style="list-style-type: none"> N/A
Dump Days	<ul style="list-style-type: none"> Household Dump Day every 2nd and 4th Saturday of each month for non-commercial solid waste at Newby Island Landfill* 	<ul style="list-style-type: none"> <i>Provide options with Disposal Proposals – see Section 3.3</i> 	<ul style="list-style-type: none"> N/A

Italics denote Base Services changes from Current Services.

*Except when Christmas and New Years falls on Saturday.

3.2.3 Alternative Services

Tables 3-1 through 3-4 summarize required and optional Alternative Services. The Alternative Services are further described in the Franchise Agreement. The City wishes to evaluate the potential benefits and costs of several alternative services to determine whether it will require the franchise contractor to implement one or more of the service(s), and in the case of the new AB 1826 programs to assist multi-family and commercial customers in understanding any added cost for provision of service.

The collection contractor may enter into agreements with subcontractors to provide services requested in the RFP subject to the prior written consent of the City. Subcontractor arrangements shall be disclosed in the proposal. Agreements with the subcontractor(s) must meet the requirements of the level and type of insurance specified in Section 9.2 of the Franchise Agreement. Alternative Services are described below.

A. Single-Family Solid Waste Cart-Only System (Required)

Proposers are required to provide a “conventional” contractor-owned cart proposal, with choice of 32-gallon, 64-gallon and 96-gallon carts.

B. Single-Family Food Scraps with Yard Trimmings (Required)

Proposers are required to provide a proposal for single-family food scraps and food contaminated paper co-collected with yard trimmings, and with distribution of indoor pails.

C. Multi-Family Yard Trimmings Collection Mandated by AB 1826 – Post 2017 (Required)

AB 1826 provides that beginning January 1, 2019, generators of four cubic yards or more of solid waste per week must divert yard trimmings. AB 1826 also provides that beginning January 1, 2020, generators of two cubic yards or more of solid waste per week must divert yard trimmings. However, the 2020 requirement is contingent on a State finding that the level of organics disposal has decreased by less than fifty percent compared to 2014 levels.

Proposers should assume provision of multi-family yard trimmings collection service with a minimum level of 96 gallons of organic material capacity per week to each complex and to collect yard trimmings from one to six days per week upon customer request using carts and bins, and drop boxes. Multi-family customers with landscaping service meeting the provisions for limitations to the scope in the Franchise Agreement will not be required to subscribe to collection service through the franchise.

D. Commercial Yard Trimmings and Food Scraps Collection Mandated by AB 1826 – Post 2017 (Required)

AB 1826 provides that beginning January 1, 2019, generators of four cubic yards or more of solid waste per week must divert yard trimmings and food scraps. AB 1826 also provides that beginning January 1, 2020, generators of two cubic yards or more of solid waste per week must divert yard trimmings and food scraps. However, the 2020 requirement is contingent on a State finding that the level of organics disposal has decreased by less than fifty percent compared to 2014 levels.

Proposers should assume provision of commercial yard trimmings and food scraps collection service with a minimum level of 64 gallons of organic material capacity per week to each business for each type of material, and to collect organic materials from one to six days per week upon customer request using carts and bins, and drop boxes. Commercial customers with landscaping service meeting the provisions for limitations to the scope in the Franchise Agreement will not be required to subscribe to collection service through the franchise.

E. Temporary Debris Box Service (Required)

Proposers are required to submit a proposal to include temporary debris box services within the scope of the Franchise Agreement, subject to the limitations of scope provisions of Section 1.2. The City is interested in innovative ways to provide convenient and cost-effective services, such as provision of a “bin-for-a-day”. The current nonexclusive temporary debris box system allows for collection of a broad range of materials, such as tallow. As provided in Section 1.2 of the Franchise Agreement, some of these materials will remain nonexclusive even if the temporary debris box system itself does not continue.

F. Other Service Enhancements and Innovations (Optional)

Proposers are invited to submit additional service enhancements, innovations, or cost-saving approaches.

3.3 Disposal Proposal – Scope of Services

The City requests that Disposal Proposers submit a separate proposal addressing the services provided below. The proposed Disposal Agreement presents all of the contract terms and conditions including a complete description of the requested disposal and disposal-related services. It also describes contractor's compensation and rate-setting methods, dispute resolution, indemnification, insurance, performance assurances, defaults and remedy provisions, termination rights, performance standards and consequences for non-compliance, reporting obligations, and other provisions. If there are differences between the summary of disposal services described in this RFP and the Disposal Agreement, the terms and conditions in the Disposal Agreement prevail.

The Disposal Proposal scope of services includes the following.

3.3.1 Transfer and Transport (Optional)

Proposers may at their option propose use of a transfer station and transport of solid waste to the proposed disposal facility.

3.3.2 Disposal (Required)

Proposers are required to propose to provide disposal services for the term of the Disposal Agreement. As provided in the Disposal Agreement, the selected disposal contractor will receive all solid waste collected by the collection contractor that is intended for disposal, without minimum or maximum tonnage or "put-or-pay" commitments on the part of the City.

3.3.3 Material Drop-Off (Optional)

Proposers are required to offer a local location for drop-off of yard trimmings, recyclables, bulky items and other nonputrescible items (excepting yard trimmings). This service may include use of a transfer facility, a disposal facility, or a third type of location as long as properly zoned and permitted to accept such material for hauling to a transfer facility or disposal facility.

3.4 Municipal Code Revisions

It is likely that award of the Franchise Agreement and Disposal Agreement will be accompanied by changes to the Chapter 200, Title V of the Milpitas Municipal Code, and possibly to other provisions as well. It is anticipated that the Code will be revised as needed prior to the September 6, 2017 commencement date of the new agreements.

3.5 Reimbursement of Procurement Costs

The selected Collection Proposer will reimburse the City for the City's procurement-related expenses (including, but not limited to, consulting fees). The reimbursement payment will be made by the selected proposer within five (5) days of the execution date of the Franchise Agreement. The reimbursement expense is estimated at the time of RFP release to be \$200,000. The expense is not considered an allowable expense.

SECTION 4: RFP CONDITIONS AND PROPOSAL SUBMITTAL

Unless otherwise noted, the requirements of this Section 4 apply to proposers submitting a Collection Proposal, a Disposal Proposal, or both.

4.1 Rights Reserved by the City

The City of Milpitas reserves the right, in its sole discretion, to pursue any or all of the following actions in regard to this RFP process:

- Issue addenda and amend the RFP and Franchise Agreement;
- Request additional information and/or clarification from proposers;
- Extend the deadline for submitting proposals;
- Allow for the timely correction of errors and waive minor deviations;
- Cancel or withdraw this RFP;
- Waive or remedy technical errors in the RFP process;
- Postpone opening the proposal for its own convenience;
- Not provide a complete evaluation of a proposal;
- Accept any offer in full or in part;
- Reject any or all proposals that, in the City's sole judgment, do not fully comply with the requirements detailed in this RFP, its attachments, addenda, or clarifications;
- Reject incomplete proposals; proposals containing errors, inconsistencies, false, inaccurate or misleading information; proposals submitted after the deadline; and/or, proposals with other process or content errors or deficiencies;
- Reject any or all proposals, and in City's sole discretion issue a new RFP;
- Reject a proposal that is given the highest quantitative scoring or ranking in the evaluation process if it is not in the best interest of the City and its residents and businesses;
- Request "best and final offers" from one or more proposers;
- Award the Franchise Agreement to a proposer based on a combination of its qualitative and quantitative attributes;
- Award the Franchise Agreement to a proposer without further discussion or negotiation;
- Contract directly for street sweeping services;
- Negotiate changes in the services proposed and/or described in the RFP or to incorporate programs proposed by others; and, negotiate changes to the Franchise Agreement;
- Negotiate with selected contractor for a later commencement date;

- Issue subsequent RFP(s) for the same, similar, or related services at a later date;
- Amend its General Plan Policies;
- Amend its Municipal Code, Planning and Zoning Code, and Design Standards and Guidelines; and,
- Take other actions the City deems are in the best interest of its residents and businesses.

4.2 General RFP Agreements

This RFP shall not be construed by any party as an agreement of any kind between the City of Milpitas, proposer(s), and other parties.

This RFP does not obligate the City to accept any proposal, negotiate with any proposer, award a franchise agreement, or proceed with the development of any project or service described in response to this RFP. The City has no obligation to compensate any proposer for its expense of preparing its proposal and participating in this procurement process.

Submittal of a proposal signifies proposer's commitment to provide the proposed services, at the proposed prices, if selected.

All conditions, pricing and any other aspect of proposals submitted in response to this RFP shall be valid for one year from the proposal due date shown in Table 1-1. In addition, all aspects, conditions and components of proposals submitted shall be valid for one year. Proposals may not be altered after submittal, except in response to the City's request for clarification.

Submitted proposals may be withdrawn up to the date and time of required submittal shown in Table 1-1. Proposals may not be altered after submittal, except in response to the City's request for clarification or a City request during negotiation of an agreement.

All proposer responses to this RFP shall be prepared at the proposer's expense, with the express understanding that there shall be no claims whatsoever for reimbursement from the City for the cost or expense of such preparation, or for any subsequent aspect of the process.

Submission of a proposal shall constitute acknowledgment and acceptance of all the terms and conditions contained in this RFP, the Franchise Agreement and the Disposal Agreement, including all addenda or amendments issued by the City per the schedule provided in this RFP except that proposers may take exceptions to the RFP, and to each agreement in accordance with this Section 4, as well as Sections 5 and 6 of the RFP. Submittal of a proposal signifies proposer's commitment to provide the proposed services, if selected.

The City shall have the right (but not the obligation) to perform a review of any one, or each, proposer's ability to perform the work required. Each proposer must agree to cooperate with such a review. Such cooperation by proposer shall apply to the verification of the proposer's capability and experience in the provision of services and any other component of work that may be required under this procurement.

The City, or its consultants, may conduct reference checks that will involve contacting municipalities currently or previously served by proposer, as well as contacting regulatory agencies involved in oversight of proposers' facilities. In addition, the City or its consultants may research proposers' past performance by reviewing litigation history, regulatory actions, highway driving records, and recycling history. The proposer's submission of a proposal shall constitute an agreement to cooperate with the City's review.

4.3 Proposal Submittal Process

Companies submitting proposals to the City shall follow the procedures described in this Section 4.3 and the procedures included in subsequent clarifications or addendums to this RFP, which are issued by the City or its consultant.

4.3.1 Step One – Register for Correspondence, RFP, and Announcements

Proposers that attend the pre-proposal meeting, provide contact information on the sign-in sheet at the meeting, and submit an executed Process Integrity Policy form will be automatically registered to receive correspondence and announcements. If proposer does not attend the pre-proposal meeting or if their contact information was not provided at the pre-proposal meeting, proposer must request that it be placed on the list of interested parties in order to receive the RFP, future correspondence, and announcements related to this RFP, and must submit its executed Process Integrity Policy form. The deadline for submitting a request to be included in this RFP process is shown in Table 1-1. Proposers that fail to register by the specified deadline shall be excluded from this RFP process. Proposer must email said request to MilpitasRFP@hfh-consultants.com.

4.3.2 Step Two – Submission of Written Questions; Objections to RFP

The City directs proposers to submit all questions and requests for information in writing directly to its consultant. **Do not seek to communicate with City staff regarding the RFP package or RFP process.** Therefore, any questions, requests for clarification, or requests for additional information regarding this RFP must be submitted in writing via email to HF&H Consultants at the email address listed in Section 4.3.1. Questions submitted on or before the date and time provided in Table 1-1 will be addressed at the pre-proposal meeting. Proposers may submit additional questions on or before the relevant date and time provided in Table 1-1.

The City will respond to all written questions and requests for clarifications submitted by proposers by the date provided in Table 1-1. Such response will be in writing and shared with all interested proposers of record without identifying the party asking the question.

Any objections as to the structure, content, or distribution of this RFP also must be submitted prior to the submission deadline for questions provided in Table 1-1. Objections must be as specific as possible, must identify the RFP section number and title, and must describe the proposer's rationale for the

objection. Proposer will be deemed to have accepted and agreed to all provisions of the RFP to which proposer has taken no objection.

4.3.3 Step Three –Pre-Proposal Meeting

The pre-proposal meeting will be held at the date and time provided in Table 1-1 in the City Council Chambers at 455 East Calaveras Boulevard, Milpitas, CA 95035. Attendance at this meeting is voluntary. Proposers are encouraged to submit questions in advance of the meeting (in accordance with Section 4.3.2) or prepare and pose questions at the pre-proposal meeting. Preliminary oral responses to questions will be provided at the discretion of City staff at the pre-proposal meeting.

Written responses to questions will be provided by the date specified in Table 1-1 to all eligible proposers (those companies that registered pursuant to Step One - see Section 4.3.1). In the event of any inconsistencies between oral responses provided at the pre-proposal meeting and written responses subsequently issued, the written responses must be used by proposers for the purpose of preparing proposals.

4.3.4 Step Four – Proposal Submittal

Proposer shall submit five bound double-sided copies of each complete proposal. In addition, a computer disk or other generally accepted electronic storage device containing: 1) an electronic copy of all completed cost proposal forms (i.e., those provided in Attachment 4 of the RFP) formatted for the PC version of Microsoft Excel; 2) a PDF of the proposal (excluding proposal attachments, and financial statements); and, 3) Microsoft Word version of Franchise Agreement and Disposal Agreement with any changes tracked using Microsoft Word's track changes feature (see Section 5.8 and Section 6.9 for additional information). These items shall be placed and submitted in a sealed package. Collection Proposers must also include a separate envelope containing the solid waste off-route transport information required in Section 5.9.1. Proposals must be printed on 8½ inch by 11 inch paper. All pages shall be consecutively numbered; although, each section may start with a new page number if proceeded with the section number (e.g., Page 2-1 for the first page of Section 2).

Proposers submitting both a Collection Proposal Services and a Disposal Proposal must submit them in separate packages. Each package shall be clearly labeled as applicable, as follows:

PROPOSAL FOR CITY OF MILPITAS COLLECTION AND PROCESSING SERVICES

Name of Proposer:
Address:
Contact Person:
Telephone Number:
Fax Number:
E-mail:

Or,

PROPOSAL FOR CITY OF MILPITAS DISPOSAL SERVICES

Name of Proposer:
Address:
Contact Person:
Telephone Number:
Fax Number:
E-mail:

Proposals may be mailed or hand delivered to:

Mary Lavelle, City Clerk
City of Milpitas
455 East Calaveras Boulevard
Milpitas, CA 95035
(408) 586-3000

All proposals must be received by the date and time shown in Table 1-1. Proposals received after this time and date may be rejected. Postmarks will not be accepted as proof of receipt.

Each Collection Proposal must be accompanied by surety made payable to the City of Milpitas in the amount of thirty thousand dollars (\$30,000) and in the form of a certified check, cashier's check, or bid bond. These sureties shall be submitted with the proposal in a separate, clearly labeled envelope. The purpose of the surety is to guarantee that the successful contractor will execute a Franchise Agreement with the City. If the selected contractor does not execute the Franchise Agreement within thirty (30) calendar days after receiving notice of the award of Franchise Agreement, the City may keep the surety to offset the potential cost associated with identification of an alternate service provider and schedule delays and has the right to pursue additional and reasonable costs incurred by the City in this event. Checks and bonds will be returned to all proposers no later than ten (10) calendar days after the City has fully executed the Franchise Agreement with the successful contractor.

Each Disposal Proposal must be accompanied by surety made payable to the City of Milpitas in the amount of fifteen thousand dollars (\$15,000) and in the form of a certified check, cashier's check, or bid bond. These sureties shall be submitted with the proposal in a separate, clearly labeled envelope. The purpose of the surety is to guarantee that the successful contractor will execute a Disposal Agreement with the City. If the selected contractor does not execute the Disposal Agreement within thirty (30) calendar days after receiving notice of the award of Disposal Agreement, the City may keep the surety to offset the potential cost associated with identification of an alternate service provider and schedule delays and has the right to pursue additional and reasonable costs incurred by the City in this event. Checks and bonds will be returned to all proposers no later than ten (10) calendar days after the City has fully executed the Disposal Agreement with the successful contractor.

Proposals will only be accepted from parties that have submitted an executed Process Integrity Policy form. Any interested party that violates the terms of the Process Integrity Policy may at City's sole discretion be eliminated from the City's RFP process.

4.3.5 Step Five – Clarification of Proposal Information; CEQA

Proposer may be asked to clarify information through written communications, and interviews or during site visits of each proposer's offices; customer service center; corporation yard and maintenance facilities; and, transfer and processing facilities. This clarification process may involve requesting that the proposer demonstrates how financial, customer service, and management information systems can provide reports required by the Franchise Agreement. The clarification process may be performed by City staff and/or their consultants.

During the evaluation process, the City will determine if any aspect of a proposal necessitates review under the California Environmental Quality Act (CEQA). Should the City make such a determination, proposer shall upon City direction and at its own cost conduct such review and underlying analyses as may be required. Proposers shall coordinate with City as requested in defining the scope of the analyses, in providing drafts for City review and comment, and in making such revisions as City may reasonably require.

4.3.6 Schedule

The timeline for evaluation of proposals, contractor selection, and contract negotiations is summarized in Table 1-1 in Section 1.

4.4 Proposer Review and Examination

Proposers must carefully review the RFP, including the Agreement, and all related materials. Failure or neglect to examine any form or document released by the City during the process, or any misinterpretation of the requirements shall in no way relieve proposers from any of the obligations contained in this RFP or in any addenda.

Prior to submitting a proposal, proposers must make all investigations and examinations necessary to ascertain all conditions and requirements affecting the full performance of the contract and to verify any representations made by the City upon which proposer will rely.

4.5 Disclaimers

To the best of the City's and its consultants' knowledge, all data and information provided during the RFP process is accurate. However, neither party is in any way responsible for any inaccurate, inconsistent, or incomplete data or information. In submitting a proposal, proposer agrees to waive any claims against the City or its consultant(s) for loss or damages incurred by proposer for its reliance on data and information contained in the RFP or subsequent communications.

Current conditions data provided in Section 2 reflect current collection practices. Regardless of whether the City modifies its current collection programs as a result of this process, there is no guarantee that

current or recent tonnages will continue to be available, nor is the data in Section 2 intended to imply any limitation on the tonnages that may be available for collection in the future.

4.6 Protection of Confidential Materials

As a rule, information submitted to the City by Proposers is subject to disclosure by the City upon request from a member of the public, under the California Public Records Act, Government Code Section 6250, et seq. The City recognizes that some information which is called for in the RFP, or which may be required to be submitted in subsequent stages of the evaluation and contracting process, may be considered trade secrets or otherwise confidential by some Proposers. By submitting a proposal, proposers agree to the following with respect to information they may believe is confidential.

Material which Proposers wish to be treated in confidence and withheld from public disclosure must be submitted in a separate envelope marked "CONFIDENTIAL." In addition each page of confidential materials must be clearly marked as "CONFIDENTIAL." To the extent allowable by law, the City will not voluntarily disclose materials so marked "CONFIDENTIAL" to persons other than the City's officers, attorneys, employees, and consultants involved in evaluating the proposals received.

If the City receives a request from a third party to review and/or copy material so marked "CONFIDENTIAL", it will promptly inform the Proposer who submitted it. The Proposer must then immediately take any action the Proposer deems necessary to protect the subject materials from disclosure. The Proposer must agree to indemnify and hold the City, its subsidiary agencies, its elective and appointive boards, officers, agents and employees, harmless from any liability for damage or claims in connection with any activities involving the protection of the materials, and must bear all costs in connection therewith.

The City may disclose information which it and its legal counsel determine is not protected from disclosure under the Public Records Act. In no event will the City be required to withhold material from disclosure beyond the time frames required by the Public Records Act in the absence of the filing of a legal action or an agreement among all affected parties.

Proposers shall have no right to recover damages or attorney's fees or costs from the City, its subsidiary agencies, its elective and appointive boards, officers, agents and employees for any disclosure of information Proposers deem confidential.

Material that has been marked as confidential will be returned to all unsuccessful Proposers once a contract has been signed with the selected Proposer.

SECTION 5: COLLECTION PROPOSAL SUBMITTAL REQUIREMENTS

Section 5 includes the required Collection Proposal outline and a description of the specific information proposers must include in Collection Proposals. Proposer must provide the information identified in this Section as part of its proposal. Failure to provide all the required information may be grounds for rejection of a proposal.

5.1 Outline

Collection Proposals shall be submitted in accordance with the outline provided in Table 5-1. Items that are not required elements of the proposal are noted as “Optional.” At proposer’s option, the proposer may include additional information or data on other relevant topics or more detail on the information requested herein that is relevant to the proposal. Proposers should maintain the section numbering in Table 5-1 even if optional services are not proposed, with a statement that the given section is not applicable. Any additional information shall be included as attachments to the proposal.

**Table 5-1
Proposal Outline**

- i. Title Page
- ii. Cover Letter
- iii. Table of Contents
- ES Executive Summary
- 1. Company Description
 - A. Business Structure
 - B. Collection Experience
 - C. Service Initiation Experience
 - D. Key Personnel
 - E. Labor Agreements and Wages
 - F. Past Performance Record
 - G. Financial Information
- 2. Technical Proposal for Base Proposal
 - A. Collection
 - B. Recyclables Materials Processing (and Transfer if proposed)
 - C. Organic Materials Processing (and Transfer if proposed)
 - D. Residential On-Call Bulky Item Clean-Up Events
 - E. Public Outreach
 - F. Multi-Family/Commercial Recycling Technical Assistance
 - G. Customer Service

- H. Customer Billing
- I. Multi-Family and Commercial Recycling and Organics Plan
- J. Subcontractors
- K. Management and Customer Service Systems
- L. Corporation Yard and Maintenance Facilities
- M. Street Sweeping
- N. Implementation Plan
- 3. Technical Proposal for Alternative Services
 - A. Single-Family Solid Waste Cart-Only System (Required)
 - B. Single-Family Food Scraps with Yard Trimmings (Required)
 - C. Multi-Family Yard Trimmings Collection as Mandated by AB 1826 – Post 2017 (Required)
 - D. Commercial Yard Trimmings and Food Scraps Collection as Mandated by AB 1826 – Post 2017 (Required)
 - E. Temporary Debris Box Service (Required)
 - F. Other Service Enhancements and Innovations (Optional)
- 4. Environmental Considerations (Optional)
- 5. Acceptance of RFP and Franchise Agreement
- 6. Cost Proposal
 - A. Base Cost Proposal
 - B. Cost Proposal for Alternative Services
- 7. Other Proposal Forms
 - A. Secretary's Certificate
 - B. Anti-Collusion Affidavit
 - C. Iran Contracting Certification
- Attachments Financial statements; additional material may be included at proposer's discretion (Optional)

5.2 Cover Letter

The cover letter shall clearly identify the legal entity(ies) submitting the proposal and state whether each entity is a sole proprietorship, partnership, corporation, joint venture, or other. The cover letter shall be signed by the designated representative authorized to bind proposer as documented on the Secretary's Certificate to be submitted in accordance with the requirements below. The cover letter must include the following language:

"With submittal of this Collection Proposal, _____ (proposer) acknowledges and accepts all terms and conditions of the RFP and Collection Agreement, except for any exceptions taken in Section ___ of our proposal."

The cover letter must also include a list with each RFP addendum issued through this RFP process and the date of receipt, with the following statement: “These addenda were received by and fully reviewed by *contractor name*.”

5.3 Executive Summary

Proposer shall provide a concise executive summary to introduce its proposal; present its strategy and costs; and highlight unique aspects of its approach to servicing the City. The executive summary can be used to highlight any additional programs, service enhancements, or other innovations proposed.

5.4 Company Description

5.4.1 Business Structure

In its proposal, proposer shall:

1. Confirm that proposer is authorized to do business in California;
2. Identify the legal entity that would execute the Franchise Agreement. State whether each entity is a sole proprietorship, partnership, corporation, or joint venture. Describe in detail the relationship of the proposer to the executing entity. If the proposer is a joint venture, describe where the entities have collaborated before;
3. State the number of years the entity(ies) have been organized and doing business under this legal structure. Proposal must include all the names of company’s (and executing entities’ if different than company’s) owners/stockholders with greater than a 10% holding and creditors owed a debt greater than 10% of the company’s total assets;
4. Identify other businesses with ownership by principals and/or management; and,
5. Identify each subcontractor to be used, describe their qualifications to provide the service, and summarize all services they will perform. Proposer shall describe any current or past working relationship with the subcontractor(s) in the past five years.

5.4.2 Collection Experience

Proposer must describe its experience serving jurisdictions in California (preferably serving jurisdictions of similar or larger size and similar demographics to the City of Milpitas). Proposer’s description for each comparable jurisdiction shall include:

1. The name of the jurisdiction where the services were provided, commencement date of services and term of the agreement;

2. The service provided (e.g., solid waste collection, recyclable materials collection, organic materials collection, processing, transfer, street sweeping, and other unique collection programs at proposer's discretion such as those for e-waste, u-waste, or household hazardous waste);
3. The name, address, and telephone number of the jurisdiction's representative responsible for administering the agreement; and,
4. The number of single-family, multi-family, and commercial customers served.

5.4.3 Service Initiation Experience

The City is interested in learning about each proposer's experience with implementation of new franchise agreements and new organics programs. Include a minimum of three reference projects for which the proposer has initiated a new collection contract and/or new collection services. For each reference program, the description shall include:

1. The name of the jurisdiction where the services were provided and commencement date and term of the agreement;
2. The service initiation performed (i.e., initiation of a new franchise agreement, multi-family and commercial food scraps collection, etc.);
3. The name, address, and telephone number of the jurisdiction's representative responsible for administering the agreement;
4. The number of residential and commercial customers served;
5. Description of how the company handled the specific requirements for the procurement of vehicles and personnel; training of personnel; billing and fee collection services; determination of routes and operating procedures; delivery of containers; public outreach; and the preparation of procedures to ensure a smooth transition from one company to another and one type of service to another, use of recycled-content carts; and,
6. Identification of problems that occurred during the initiation of the new contract and solutions implemented to solve the problem(s).

5.4.4 Key Personnel

Provide an organization chart for key personnel. Identify key personnel the proposer plans to assign to: (1) the implementation team; and, (2) the ongoing management of the services provided under the Franchise Agreement. At a minimum, provide the names, contact information, and qualifications for the following key personnel:

- Regional Manager
- District Manager
- Site Manager

- Operations Manager
- Customer Service Manager

Also provide the name, contact information and qualifications for the person who will serve as the primary contact person for the City during the term of the Franchise Agreement.

If specific individuals have not been identified for one or more positions, provide the job description and/or hiring criteria that will be used to select the individual.

5.4.5 Labor Arrangements

Proposer shall identify its plan for arranging labor if they are selected to provide collection and processing services in the City. Specifically, proposer shall identify if and when they plan to enter into any collective bargaining agreement(s), the labor organization(s) the proposer will work with, and the nature of the collective bargaining agreement(s). If services will be provided under an extension or renewal of an existing labor agreement, provide a copy of the full agreement including all amendments, extensions, and/or renewals. If new labor agreement(s) will be negotiated prior to the commencement of the Franchise Agreement, provide a memorandum of understanding between the labor organization and company outlining the terms and conditions of the agreement, wage rates, employee benefits, and work rules.

5.4.6 Past Performance Record

1. Litigation and Regulatory Actions. Describe past and pending civil, legal, regulatory, and criminal actions (including arrests, indictments, litigation, grand jury investigations, etc.) now pending or that have occurred in the past ten (10) years against the key personnel identified above, proposing entity, its parent company, and all subsidiaries owned by proposing entity.
2. Payment of Fines, Penalties, Settlements, or Damages. Provide a statement disclosing any and all fines, penalties (including liquidated damages or administrative fees in excess of \$25,000 in one calendar year), settlements, or damages of any kind paid by proposer, its parent company and subsidiaries, to public agencies in the past five years. For each payment, list the amount the company has paid, the name of the jurisdiction to which damages were paid, and the event(s) which triggered the damages. Identify what personnel and/or policy changes the company made in response to such incidents (e.g., terminated or reassigned employees involved, new process protocols, etc.).

The requirements of Section 5.4.6 apply to:

1. Collection, transfer and processing operations conducted in the Greater Bay Area (defined as Alameda, Contra Costa, Monterey, Napa, San Mateo, Santa Clara, Solano, and Sonoma counties).

2. Proposers who operate in multiple counties or states with independent management structures need only report such actions relative to the operations managed by the management team proposed to be responsible for this contract.
3. Lawsuits which involved only claims for personal injury or property damage arising from vehicle accidents which resulted in defense verdicts or in judgments against defendant, or settlements of less than \$10,000, need not be disclosed.

The occurrence of past or pending civil, legal, regulatory, or criminal actions does not automatically disqualify a company from participating in this process. However, failure to report such actions, whether discovered before or after the City executes the Franchise Agreement, shall be considered a material omission and may form the basis for disqualifying a proposer or terminating the Franchise Agreement.

5.4.7 Financial Information

1. Financial Statements. Submit audited financial statements for the most-recently completed fiscal year for the legal entity(ies) that would execute the Franchise Agreement. All such statements are to be prepared in accordance with Generally Accepted Accounting Principles applied on a consistent basis and shall be audited in accordance with Generally Accepted Auditing Standards by an Accountant certified in the State of California and shall include a statement by the chief financial officer (CFO) of the entity(ies) that there has been no material adverse change in such condition or operations as reflected in the submitted balance sheet and income statements since the date on which they were prepared. The proposer may submit an electronic version of the audited financial statements or may provide a website address linking to audited financial statements if available on the proposer's website. Printed copies of the statements do not need to be submitted with the proposal if an electronic copy is provided or web access is made available.
2. Financing Plan. Describe the plan for financing all capital requirements (i.e., those listed on Cost Proposal Form 4) in a "Sources and Uses of Funds" format, which describes the sources of required capital (e.g., banks, leasing companies, cash reserves, etc.) and uses (e.g., property, trucks, equipment, containers, reserves, etc.). Attach supporting documents (e.g., letters from banks or leasing companies) that demonstrate your ability to implement the financing plan.

5.5 Technical Proposal for Base Services

Proposers shall describe how it plans to perform the collection and processing services requested in Section 3.2 of this RFP and described in the Franchise Agreement. In presenting information requested herein, proposer shall explain the method of delivering the services, equipment selected, routing strategies, and collection and processing methods. The description shall also note differences (for different customer types including variations in multi-family housing) in terms of routing strategies, collection methods, vehicles, collection crew size, etc. In addition, proposers must describe in detail why its technical approach to the services was chosen and its advantages to the City. If a proposer has presented information for one type of service that is the same for another type of service, proposer can refer to its previous description rather than reiterating the discussion in its proposal.

5.5.1 Collection

Proposer shall describe how it plans to perform the collection services requested in the RFP and described in the Franchise Agreement. Specifically, information should separately address solid waste, recyclable materials, and organic materials collection for each single-family service, multi-family service, commercial service, and drop box and compactor service. Single-family solid waste service should address collection from both customer-owned containers and contractor-provided carts. Include at a minimum:

- Collection methodology;
- Equipment to be utilized (e.g., equipment/vehicle description, number, types, cost, capacity, age, etc.);
- Cart and bin sizes, with numbers for proposed initial delivery of, and inventory for each;
- Standard crew size; and,
- Number, types, sizes, and manufacturer's specifications of containers to be utilized;

If the proposed methodology or equipment relies on co-collection vehicles, split containers, or an uncommon method, proposer must provide the names of jurisdictions where the proposer is successfully using the equipment/method. Also, describe in detail how this collection technology will work, why it was chosen for the City, and how it will benefit and work in the City specifically.

5.5.2 Recyclable Materials Processing

The following information is required for recyclable materials processing services:

1. Processing Site Information. Name, location, and description of the processing facility(ies) where recyclable materials will be handled; name of owner and operator of the facility(ies); contact name and phone number of the site manager; description of processing methods; method of tracking tonnage if the facility is receiving tonnage from other jurisdictions; and, the current average monthly residue level of the processing site. Identify if the company that owns or operates the processing site is the same as the proposing entity, a related-party entity, or a subcontractor.
2. Permits and Regulatory Compliance. Provide contact names for the regulatory agencies that monitor the processing facility's compliance with applicable local, State, and federal laws and regulations. For each contact, provide the name of the regulatory agency, the contact person's name, title, and telephone number.
3. Available Processing Capacity. Provide a written commitment guaranteeing capacity for the recyclable materials collected under the Franchise Agreement throughout the term of the Franchise Agreement. If proposer is not the owner or operator of the facility, proposer is to provide a letter of commitment from the processing facility owner to comply with this RFP requirement.

4. Import Restrictions or Fees. List any import restrictions, taxes, or fees that will be applicable to the receipt of the City's recyclable materials. Discuss the ability of the host jurisdiction or state to increase or levy taxes, host fees, or other fees. If there is an import restriction on accepting materials from outside of the local jurisdiction, describe the process to have the import restriction waived.
5. Transfer Method. If use of a transfer station is proposed in conjunction with the proposed processing site, proposer shall provide the same type of information requested in the above Items 1 through 4. If an alternative transfer method is proposed, proposer shall describe the transfer methodology and any equipment required, regulatory approval needed, and other pertinent information.

5.5.3 Organic Materials Processing

The following information is required for organic materials processing services:

1. Processing Site Information. Name and description of facilities where organic materials will be processed and composted, name of owner and operator, contact name and phone number of the site manager; description of processing and composting processes (including the type of composting method(s) used; method of tracking tonnage for the City if the facility receives tonnage from other jurisdictions, the products to be produced from the organic materials (e.g., compost, mulch, etc.), and the current average monthly residue level of the processing site. Note that the use of organic materials for alternative daily cover or beneficial reuse is not allowed under the Franchise Agreement. Identify if the company that owns or operates the processing site is the same as the proposing entity, a related-party entity, or a subcontractor.
2. Permits and Regulatory Compliance. Provide contact names for the regulatory agencies that monitor the processing facility's compliance with applicable local, State, and federal laws and regulations. For each contact, provide the name of the regulatory agency, the contact person's name, title, and telephone number.
3. Available Processing Capacity. Provide a written commitment guaranteeing capacity for the organic materials collected under the Franchise Agreement throughout the term of the Franchise Agreement. If proposer is not the owner or operator of the facility, proposer is to provide a letter of commitment from the processing facility owner to comply with this RFP requirement.
4. Import Restrictions or Fees. List any import restrictions, taxes, or fees that will be applicable to the receipt of the City's organic materials. Discuss the ability of the host jurisdiction or state to increase or levy taxes, host fees, or other fees. If there is an import restriction on accepting materials from outside of the local jurisdiction, describe the process to have the import restriction waived.
5. Transfer Method. If use of a transfer station is proposed in conjunction with the proposed organic material processing and/or composting site, proposer shall provide the same type of information requested above in Items 1 through 4. If an alternative transfer method is

proposed, proposer shall describe the transfer methodology and any equipment required, regulatory approval needed, and other pertinent information.

5.5.4 On-Call Bulky Item Clean-Up Events

Describe your approach to conducting four on-call bulky item clean-ups per year at now added charge for resident receiving single family style service, and on-call bulky item clean-ups for a fee for residents receiving multi-family style service and for businesses as discussed in Section 3.. Address differences in your approach to working with single-family and multi-family customers. Identify if and how you plan to encourage reuse, identifying what third party you plan to work with and list the materials that will be targeted for reuse. As noted in Section 3.2, should you believe that the current system of two community wide cleanups is less costly, please address in your proposal, and provide your supporting assumptions.

5.5.5 Public Outreach

The City places the utmost importance on effective public outreach and promotion as the key to helping residents and businesses understand more about source reduction, reuse, and recycling. Each proposer shall describe the following:

- Public outreach programs that will be implemented to educate single-family, multi-family, and commercial customers on the recyclable materials and organics collection programs;
- Plans for complying with AB 341 mandatory commercial and multi-family recycling and of AB 1826 mandatory commercial and multi-family organics outreach requirements;
- Description of your strategy for developing and using a website or webpage specific to Milpitas to provide customers with access to service information, rates, and other public education information; include links to example websites;
- Plans for presentations to schools and other community organizations;
- Participation at City events, such as booths, displays, sponsorship, parade floats, farmers markets, etc;
- Schedule and quantity of information that will be distributed (e.g., newsletter, brochures, etc.);
- Proposed number of employees, their job functions, and number of hours per week that will be devoted to the promotion and maintenance of collection services in Milpitas;
- Public outreach subcontractors (if any), and their qualifications, years of experience, and references;
- Samples of similar educational materials, which may have been used in other programs, particularly those related to recyclable materials collection and food scraps collection programs;
- Proposed budget for public outreach during the start-up period of the contract and on an annual basis; and,

- Other aspects or unique features of the proposed public outreach plan.

5.5.6 Multi-Family/Commercial Recycling and Organics Technical Assistance

- Describe proposer's plan to provide technical assistance to multi-family and commercial businesses and identify the specific type of onsite services and outreach materials that will be made available.
- Provide a context for the plan relative to the specific requirements of AB 341 and AB 1826.
- Identify who will manage the technical assistance efforts and the number and job classification/title of the individuals that will be conducting assistance work. Identify the estimated hours of technical assistance that will be provided per multi-family and commercial account and the total annual hours for the technical assistance program.
- Provide the type and number of customers that will be targeted and provide an estimate of the increase in the weekly cubic yards of recycling and organics service and the increase in annual recycling and organics tonnages.
- Describe the benefits of the proposed services, and potential challenges related to the service and strategies for managing such challenges.

5.5.7 Customer Service

To ensure that customers in the City obtain competent, professional and courteous customer service, proposer shall:

- Describe the location where proposer's customer service operation will be housed.
- Specify the number of full-time equivalent customer service representatives (CSR) that will serve the City. Describe how calls will be handled/reported, how many calls are expected per CSR, and describe any changes you will make to your current CSR operation to accommodate the City.
- Identify if the company has a website that customers may access to obtain customer rates, service information, pay bills, and to submit inquiries or complaints and provide website address, if applicable. Confirm that customers can email their queries and specify the maximum turn-around time for responses.
- Describe how the City will access the company's website or obtain access to the company's customer service system to view in real time and in a read-only format, customer service related information by customer type, including information such as the number of missed pick-ups, number and type of complaints received, level of service, collection day(s), etc. to comply with Section 4.12 of the Franchise Agreement.

5.5.8 Customer Billing

The collection contractor shall be responsible for billing all customers for services. To insure that customers in the City obtain competent, professional, and courteous customer service with regard to billing matters, proposer shall:

- Describe how the proposer will develop the necessary customer service and billing data at the start of services. Such a description shall include the proposer's approach for identifying service needs and process for auditing and verifying the accuracy of data in the contractor's system;
- Provide sample customer billings and a listing of jurisdictions where proposer currently provides billing services, including a contact name and phone number; and,
- Describe its procedures for dealing with customer service, with regard to customer billing demands, during the transition and throughout the term of the Franchise Agreement.

5.5.9 Multi-Family and Commercial Recycling and Organics Plan

Contractor will be required to provide, and shall describe how they shall address all program elements required for mandatory multi-family and commercial recycling collection under the provisions of AB 341, and mandatory multi-family and commercial organics collection under the provisions of AB 1826 as required for implementation prior to September 2017. Services shall include, at a minimum, determining what customers are covered by these two statutes and related implementing regulations, and providing collection, outreach, monitoring, and reporting services. Proposers should estimate weekly cubic yards and estimated annual tonnages of recyclables, yard trimmings and food scraps by customer type.

5.5.10 Subcontractors

For any proposed use of subcontractors to perform either Base Services or Alternative Services specified in the Franchise Agreement and this RFP, identify each subcontractor by name, provide contact information, describe corporate structure, qualifications and experience of the subcontractor, and describe in detail the services to be performed.

5.5.11 Management Systems and Customer Service Systems

Proposer shall describe the management systems and customer service systems its company plans to use to manage inquiries and complaints received from residential and commercial customers, and to provide the City the reporting required in Article 6 and Exhibit C of the Franchise Agreement. The description of the management systems and customer service systems shall include:

1. Name, type of equipment, software used to maintain routing and customer service information, and period of time the company has operated this system;

2. Management procedures for managing inquiries and complaints and procedures used to minimize complaints (e.g., missed pick-ups, noise, spills, etc.);
3. Description of system capability and/or procedures to ensure timely accessibility of information by jurisdictions served;
4. Description of whether individual call centers are established for each service area or if customer calls are handled by a centralized call center; and, identification of the location of the call centers that will be used;
5. Identification of whether the system is used company-wide or for select jurisdictions (listing which jurisdictions);
6. Description of how the customer service information interfaces with route and billing data and provision of examples of reports that summarize single-family and commercial customer information (name, address, service location, level of service, complaints, etc.);
7. Description of your company's internal performance standards/targets as well as procedures used to satisfactorily respond to, record, and report common customer complaints such as: missed pick-ups; spills and litter resulting from collection; collection schedule changes; broken or missing containers; improperly prepared set-outs; noise complaints; traffic and sidewalk obstruction during collection; and, safety around collection vehicles during operations;
8. Description of how the company measures customer service with regard to the call center's responsiveness and accuracy of responses, as well as the quality of collection service. Identification of specific performance metrics or targets your company tracks. Provision of copies of actual reports for at least three jurisdictions that document the actual performance level against your targets including, at a minimum, average hold times of the customer service call center and missed pick-ups;
9. Provision of copies of monthly or quarterly reports submitted to at least two jurisdictions that document monthly tonnage, customer account, and complaint information; and,
10. Demonstration of the ability to report the information required in Article 6 and Exhibit C of the Franchise Agreement if not demonstrated through the presentation of information required above.

5.5.12 Corporation Yard and Maintenance Facilities

Describe the proposed location(s) of the corporation yard for collection vehicles parking, collection container storage, employee parking, vehicle and equipment maintenance facilities, offices, and transfer operations (if necessary) of recyclable materials and organic materials. If the facility(ies) are currently operational and owned or leased by the proposer, describe plans, if any, to modify or expand the facility(ies) and the permitting process associated with the modification or expansion activities. If the facility(ies) need to be purchased, leased, and/or developed by the proposer, describe the acquisition and development plans; describe contingency plans in the event the proposed site is not available (or suitable) or in the event the acquisition and development timeline is delayed; and indicate willingness to honor the proposed costs if proposer has to secure a site other than described in its proposal.

5.5.13 Street Sweeping

Describe how the proposer will provide the required street sweeping services as described in Table 3-4, and in Section 4.16 and Exhibit F of the Franchise Agreement. Proposers should address how they will coordinate services with the City, and should address all relevant components of Section 5.5.1.

5.5.14 Implementation Plan

Provide a detailed implementation plan describing the proposer's approach to facilitating a smooth transition to providing services under the new agreement. The proposal must clearly describe the proposer's ability to implement the services in accordance with the schedule shown in Table 1-1 of this RFP. This should include how the proposer will meet equipment, personnel, administration, maintenance, and public outreach requirements, as well as transition issues such as high call volumes. The proposer should describe its assumptions regarding the City's staff participation and the current service provider's participation. Provide a schedule listing key events (i.e., equipment procurement, public outreach, container distribution, employee hiring and training, etc.), duration, and expected completion date of each event. Discuss contingency plans that will be in place for various aspects of the implementation process.

5.6 Technical Proposal for Alternative Services

For the alternative services listed below, provide a description of proposer's approach to providing each required service, and each optional service at proposer discretion.

5.6.1 Single-Family Solid Waste Cart-Only System (Required)

Proposers are required to provide a "conventional" cart-only proposal, with choice of 32-gallon, 64-gallon and 96-gallon carts, addressing the services and issues discussed in Section 3.2.1 and in Table 3-1 of the RFP. Please provide the same information as detailed in Section 5.5.1.

5.6.2 Single-Family Food Scraps with Yard Trimmings (Required)

Proposers are required to provide a proposal to collect single-family food scraps and food-contaminated paper with yard trimmings. Proposers should address in detail how the program will be designed and implemented including, but not limited to: the specific materials to be collected; provision of indoor pails; requirements for customer use of bags; collection method, vehicle type, labor requirements and routing if varied from the base proposal for yard trimmings; estimated participation, average set-out weights, and annual tonnages, and; the role of outreach and efforts to maximize participation.

5.6.3 Multi-Family Yard Trimmings Collection as Mandated by AB 1826 - Post 2017 Requirements (Required)

Proposers are required to specify how they will provide the services described in Section 3.2.2C, including but not limited to: collection method, vehicle type, labor requirements and routing compared to the base collection proposal; estimated number of multi-family complexes covered by the requirements; estimated participation, average set-out weights, and annual tonnages; meeting State reporting requirements, and; the role of outreach and efforts to ensure compliance. As discussed in Section 5.9, the cost forms request separate pricing for the 2019 and 2020 requirements. The intent is that the 2019 requirements will be part of the initial service package included with the final Franchise Agreement, while the 2020 requirements will be added later as needed based on escalated pricing included in the Franchise Agreement.

5.6.4 Commercial Yard Trimmings and Food Scraps Collection as Mandated by AB 1826 – Post 2017 Requirements (Required)

Proposers are required to specify how they will provide the services described in Section 3.2.2C, including but not limited to: collection method, vehicle type, labor requirements and routing compared to the base collection proposal; estimated number of businesses covered by the requirements; estimated participation, average set-out weights, and annual tonnages; meeting State reporting requirements, and; the role of outreach and efforts to ensure compliance. As discussed in Section 5.9, the cost forms request separate pricing for the 2019 and 2020 requirements. The intent is that the 2019 requirements will be part of the initial service package included with the final Franchise Agreement, while the 2020 requirements will be added later as needed based on escalated pricing included in the Franchise Agreement.

5.6.5 Temporary Debris Box Service (Required)

Describe your approach to collecting the “Non-Putrescible Solid Waste” and “Construction and Demolition” materials as defined in the template nonexclusive temporary debris box service agreement available for download as listed in Table 2-14, subject to the limitations in scope of Section 1.2 of the Franchise Agreement. Describe your method of collection, types of containers that will be made available, how you will work with construction and demolition contractors to encourage set-outs that maximize options for recovery, and detail how you will process and dispose of the debris. State what percentage of materials generated by construction and/or demolition projects will be targeted for recovery, and describe the processing facilities to be used.

5.6.6 Other Service Enhancements and Innovations (Optional)

Proposers are invited to submit additional service enhancements, innovations, or cost-saving approaches. In such case, proposer shall clearly describe the service enhancement and how it will benefit the customers and/or City.

5.7 Environmental Considerations (Optional)

At proposer's option, proposer may identify environmental enhancements it can incorporate into its operations and/or describe its company's environmental policies that support the City's goals and objectives related to:

- Minimizing environmental impacts (e.g., air, water, depletion of natural resources) associated with collection, transfer, and processing services;
- Encouraging the highest and best use of recycled materials; and,
- Supporting, where practical, local and regional end markets for recyclables.

Examples of environmental enhancements, aside from alternative fuels, include:

- Obtaining certification as a "Green Business" through the Bay Area Green Business Program;
- Incorporating green building best practices and standards into facilities used by proposer;
- Adopting environmentally preferable purchasing policies for the company's operations; and,
- Achieving certification to national or international standards (e.g., ISO certification for environmental or quality management).

The above examples are intended as guidance for what may be considered environmental enhancements. Proposer is not obligated to address any of these elements.

5.8 Acceptance of Franchise Agreement

Proposer are required to review the Franchise Agreement prior to submitting its proposal to the City. The City expects the Franchise Agreement will be executed by the selected contractor in substantially the same form as presented in Attachment 2. This review process allows the proposer to prepare the proposal and costs for services with full consideration of its rights and obligations.

Proposer must describe in detail any proposed exceptions to the Franchise Agreement, as applicable. For each exception, proposer shall identify the exception, explain its concern, and provide alternative language for consideration by the City. To document the proposer's exceptions to either agreement and proposed alternative language, proposer shall record its exceptions and proposed alternative language directly in an electronic version of the Franchise Agreement and include a hard-copy, redline and strikeout version, of the Franchise Agreement in its proposal. Any proposed changes to language in either agreement must be made using MS Word redline and strikeout functions only. Other software may not be used. Proposer shall also complete any information in the Franchise Agreement that needs to be tailored to the company's proposal such as, but not limited to, the contractor's name, guarantor's name. Each location in the Franchise Agreement or Disposal Agreement where proposer-specific information is to be inserted is identified with a note to proposer that provides instructions.

The City shall reserve the right to determine if the exceptions are reasonable.

Proposer will be deemed to have accepted and agreed to any provisions of the Franchise Agreement that have not been noted as exceptions in the proposal. If the City chooses to enter into negotiations with a proposer, the noted comments and recommended alternative Franchise Agreement language will serve as a starting point for discussion. With this understanding, the selected contractor may not initiate discussion related to Franchise Agreement language for which no exceptions were noted. The City may request the proposer to sign the Franchise Agreement before City Council makes the final contractor selection.

5.9 Cost Proposals

Pricing for Collection Services and Disposal Services must be entirely specific to the given set of services, and offered on a standalone basis. The offer of contingent pricing by a proposer submitting proposals for both Collection Services and Disposal Services will result in disqualification of the proposer. "Contingent pricing" is defined as pricing that in any way conditions award of and/or pricing of one service on the award or pricing of the other. This provision applies whether the contingent pricing is in addition to, or in lieu of the required separate pricing.

Collection Proposals contain cost forms to be completed by the proposer. Final City fees and rates will be negotiated with the selected contractor. The rates will provide the only source of contractor compensation.

The cost proposal to be prepared by proposer includes operating statistics and detailed costs. Proposer shall submit the cost proposal using the forms provided in Attachment 4. Proposer must carefully review the instructions provided in this Section and comply fully with the requirements set forth herein. The cost proposal includes the two components:

1. Base cost proposal that reflects the base services; and,
2. Cost proposal for alternative services that are being considered by the City.

Proposer shall follow the instructions provided below for preparation of the cost proposal components. A complete set of cost proposal forms described herein shall be included in each copy of the proposal submitted and an electronic copy of the forms is required in Microsoft Excel format pursuant to Section 4.3.4.

The proposal assumptions, operating statistics, and cost proposal information submitted by proposer will be evaluated to determine the reasonableness of the contractor's proposed costs. The cost proposal shall be firm and valid for a period of one year from the submittal date of the proposal.

5.9.1 Guidelines

The proposer shall prepare its cost proposals in accordance with the following guidelines:

1. **Terms based on Agreement.** Contractor shall be governed by the terms and conditions of the Franchise Agreement.

2. **Scope per RFP and Agreement.** The proposed operating statistics and costs on Forms 2 through 11 shall encompass all base collection services, which are identified in Section 3.1 and further described in the Franchise Agreement.
3. **Valid for Rate Period One.** Costs, including proposed maximum rates, shall be effective for the first rate period, which is approximately a 16-month period from September 6, 2017 through December 31, 2018. When completing the cost proposal, proposer shall carefully observe instructions on each form that specify where proposer shall provide operating statistics and costs for 12-month period from September 6, 2017 through September 6, 2018 and where proposer shall provide costs for the 16-month rate period. Capital costs on Form 4 shall be presented in 2016 dollars, reflecting the estimated cost of purchase on or about the contract execution date.
4. **Wage and Benefit Requirements.** Labor costs shall anticipate necessary changes to reflect inflation and negotiated labor contract terms.
5. **Depreciation and Interest.** The base proposal shall reflect the purchase of new collection vehicles and containers. In either case, depreciation and interest expenses related to purchase of vehicles and containers at commencement and during the term of the Franchise Agreement (including possible extensions) need to be anticipated and an average annual amount included for Rate Period One. Proposer shall assume an average vehicle and container life of 10 or more years and plan to depreciate the vehicles and containers over a 10-year period for the purposes of determining depreciation and interest expenses.
6. **Solid Waste Off-Route Transport Costs.** Collection Proposers should assume City Hall as the point of delivery for solid waste collected under the Franchise Agreement. Proposers must include the following information in a separate envelope marked "Solid Waste Off-Route Transport Costs":
 - a. Identify each type of truck including manufacturer and model that will be used to collect solid waste from carts, bins, roll-offs and compactors.
 - b. For each identified type of truck, provide the total number of loads per day and per-week.
 - c. For each identified type of truck, provide a cost for off-route operation in dollars-per-hour regardless of the destination of the material.
 - d. For each identified type of truck, provide the average tons per load.
7. **Net Processing Costs.** Proposer shall specify the per-ton processing cost(s) for recyclables, and organics, revenues from the sale of materials, and the net processing cost (or net revenue) on Form 7 of the cost proposal. If proposer plans to use a transfer station to move materials to the processing facility(ies), proposer shall separately identify the per-ton transfer costs in the area provided on Form 7.
8. **Start-Up Costs Annualized.** Start-up costs related to implementation of the Agreement shall be annualized over a 10-year period and shown on Form 6D for the base cost proposal.

9. **Compactor Service.** Costs for servicing roll-off compactors shall be included with drop-box costs on the cost proposal forms. Cost for bin-type compactors shall be included with bin costs on the cost proposal forms.
10. **Procurement Costs.** As described in Section 3.9, the selected contractor shall reimburse the City for an estimated \$200,000 of procurement-related expenses, which may be annualized as \$20,000 and treated as a non-allowable expense.
11. **Exclusive Construction and Demolition Debris Service.** In addressing the Alternative Service to add the temporary debris box services (primarily C&D service) to the Franchise Agreement, proposers should use the information discussed in Section 2 of the RFP, its best understanding of the construction market, and review of the City's General Plan to develop its proposed tonnages, service levels, and costs.
12. **Non-Allowable Costs.** Costs identified in Exhibit D2 to the Franchise Agreement shall not be included in the cost proposal.
13. **Single-Family Billing Costs.** While it is City intent to transfer single family billing to the collection contractor, please provide the assumptions detailed on Form ___. Note that in negotiating final fees, the City will request reimbursement of the share of the City's utility system fixed costs that will no longer be met through provision of City billing for solid waste services.
14. **Service Level Assumptions.** For the purposes of preparing the cost proposal, the City provided the current number of accounts serviced in each rate category on the rate proposal forms (Forms 8, 9, 10, and 11) for the base cost proposal.² This account information is based on the best available customer information (which the City has not verified). The proposer shall develop its cost and rate proposal based on its service level assumptions reflecting its: (i) due diligence in reviewing the provided service level information, (ii) assessment of the service needs of the City and its residents and businesses, (iii) the anticipated change in service levels due to new rates, and (iv) other factors that may impact future customer service level needs. The proposer's assumptions shall be presented on Forms 8, 9, 10, and 11 of the base cost proposal (in the columns labeled "estimated number of accounts or occurrences or pulls/week") and on Form 2 of the base cost proposal. If the actual level of service is more than that assumed for the purposes of preparing the proposal, the contractor shall receive and retain more revenues from customer rates. Alternatively, if the actual service levels are less than assumed for proposal purposes, the contractor shall receive less rate revenue from customers.
15. **Tonnage Assumptions.** For the purposes of preparing the cost proposal, proposer shall estimate the annual tonnage of solid waste, recyclable, organic, and on-call clean-up/bulky item materials that will need to be collected in Rate Period One. This annualized amount shall be shown as the total tonnage collected on Form 2 in the base cost proposal and proposer shall allocate the total tonnage to the different service categories based on its own assumptions with regard to historical tonnage collected and future participation in recycling and organics programs. The proposer shall develop its cost proposal using its estimated tonnage levels

² The service level information on Forms 8, 9, 10, and 11 does not include the containers located at City facilities.

specified on Form 2. If actual tonnage levels are different, no adjustment will be made to contractor's compensation.

5.9.2 Base Cost Proposal

Proposer is required to submit a base cost proposal using Forms 1 through 11 provided for this purpose in Attachment 4. On the base cost proposal forms, the proposer is required to present operating statistics, its annual cost proposal, and its maximum rate proposal.

The estimated total annual revenue on Form 11 is to tie to the total costs on Forms 5 and 6 (plus or minus \$5,000). As described in Section 5.9.1.14 above, the estimated total annual revenues will be based on the contractor's assumptions regarding future customer participation levels. Please note that for the purposes of evaluating the rate proposal, the City may develop its own estimation of the future customer participation levels and use its assumptions to compare one company's rate proposal to other company's rate proposals.

5.9.3 Cost Proposal for Alternative Services

The City has identified several alternative services they may choose to include in the scope of its Franchise Agreement as presented in Section 3.2.3 of the RFP. The City selected these programs as alternative services because they want to evaluate the cost impact and diversion potential before deciding to include the program in the scope of collection services. Proposers are required to submit separate operating statistics and costs for each alternative service reflecting the incremental cost increases/decreases for the alternative service above/below costs reflected in the base cost proposal.

If the proposer anticipates some cost reductions to the base cost proposal, these reductions shall be reflected in the alternative services cost proposal. For example, if disposal costs will decrease as a result of diverting food scraps, the avoided disposal cost shall be shown in the alternative service cost proposal as a negative value. If solid waste route costs will be reduced as a result of the food scraps program, the net impact to collection costs shall be shown for the alternative service (e.g., increased cost of food scraps collection less reduced cost of solid waste collection).

If the City chooses an alternative service, the annual costs presented in the base cost proposal will be adjusted to reflect the selected alternative services. Proposer is required to complete alternative cost proposal Forms 11 and 12 in Attachment 4 documenting its proposed costs for the alternative services.

Note that the total tonnage collected for the alternative services shall balance out to zero because the proposer should show increased recyclable and organic material tonnage collected through higher diversion efforts and the corresponding decrease in the solid waste collected (as a negative value).

5.10 Other Proposal Forms

5.10.1 Secretary's Certificate

Each proposer shall complete and submit the Secretary's Certificate, Attachment 5, documenting the designated representative authorized to bind the proposing company.

5.10.2 Anti-Collusion Affidavit

Each proposer shall complete and submit the Anti-Collusion Affidavit, Attachment 6. The Anti-Collusion Affidavit shall be signed by the designated representative authorized to bind the proposing company as documented on the Secretary's Certificate.

5.10.3 Iran Contracting Act Certification

Each proposer shall complete and submit the Iran Contracting Act Certification, Attachment 4. The Iran Contracting Act Certification shall be signed by the representative identified by the Secretary's Certificate.

5.11 Additional Information (Optional)

Additional information or data relevant to the proposal is optional and may be included by a proposer as an attachment(s) to the proposal.

SECTION 6: DISPOSAL PROPOSAL SUBMITTAL REQUIREMENTS

Section 6 includes the required proposal outline and a description of the specific information proposers must include for Disposal Proposals. Proposer must provide the information identified in this Section as part of its proposal. Failure to provide all the required information may be grounds for rejection of a proposal.

6.1 Outline

Disposal Proposals shall be submitted in accordance with the outline provided in Table 6-1. Items that are not required elements of the proposal are noted as “Optional.” At proposer’s option, the proposer may include additional information or data on other relevant topics or more detail on the information requested herein that is relevant to the proposal. Proposers should maintain the section numbering in Table 5-2 even if optional services are not proposed, with a statement that the given section is not applicable. Any additional information shall be included as attachments to the proposal.

**Table 6-1
Proposal Outline**

i.	Title Page
ii.	Cover Letter
iii.	Table of Contents
1.	Executive Summary
2.	Company Description
3.	Transfer and Transport (Optional)
4.	Disposal
5.	Material Drop-Off (Optional)
6.	Acceptance of RFP Terms
7.	Cost Forms
8.	Other Proposal Forms
	A. Secretary’s Certificate
	B. Non-Collusion Affidavit
	C. Iran Contracting Certification Act
Attachment	Financial Statements; additional relevant materials may be included at proposer’s discretion (<i>Optional</i>)

6.2 Cover Letter

The cover letter shall clearly identify the legal entity(ies) submitting the proposal and state whether each entity is a sole proprietorship, partnership, corporation, joint venture, or other. The cover letter shall be signed by the designated representative authorized to bind proposer as documented on the Secretary’s Certificate to be submitted in accordance with the requirements below. The cover letter must include the following language:

“With submittal of this Disposal Proposal, _____ (proposer) acknowledges and accepts all terms and conditions of the RFP and Disposal Agreement, except for any exceptions taken in Section ___ of our proposal.”

The cover letter must also include a list with each RFP addendum issued through this RFP process and the date of receipt, with the following statement: “These addenda were received by and fully reviewed by *contractor name*.”

6.3 Executive Summary

Proposer shall provide a concise executive summary to introduce its proposal; present its strategy and costs; and highlight unique aspects of its approach to servicing the City. The executive summary can be used to highlight any additional programs, service enhancements, or other innovations proposed.

6.4 Company Description

6.4.1 Business Structure

In its proposal, proposer shall:

1. Confirm that proposer is authorized to do business in California;
2. Identify the legal entity that would execute the Disposal Agreement. State whether each entity is a sole proprietorship, partnership, corporation, or joint venture. Describe in detail the relationship of the proposer to the executing entity. If the proposer is a joint venture, describe where the entities have collaborated before;
3. State the number of years the entity(ies) have been organized and doing business under this legal structure. Proposal must include all the names of company’s (and executing entities’ if different than company’s) owners/stockholders with greater than a 10% holding and creditors owed a debt greater than 10% of the company's total assets;
4. Identify other businesses with ownership by principals and/or management; and,
5. Identify each subcontractor to be used, describe their qualifications to provide the service, and summarize all services they will perform. Proposer shall describe any current or past working relationship with the subcontractor(s) in the past five years.

6.4.2 Disposal Experience

Proposer must describe its experience providing disposal services (and transfer services, if proposed) to California jurisdictions, and at the proposed disposal facility as well as at others it owns and operates.

6.4.3 Key Personnel

Identify key personnel, including at a minimum, the names, contact information, and qualifications for the following key personnel:

- Regional Manager (or equivalent)
- Site Manager

Also provide the name, contact information and qualifications for the person who will serve as the primary contact person for the City during the term of the Disposal Agreement.

If specific individuals have not been identified for one or more positions, provide the job description and/or hiring criteria that will be used to select the individual.

6.4.4 Labor Arrangements

Proposer shall identify its plan for arranging labor if they are selected to provide disposal services for the City. Specifically, proposer shall identify if and when they plan to enter into any collective bargaining agreement(s), the labor organization(s) the proposer will work with, and the nature of the collective bargaining agreement(s). If services will be provided under an extension or renewal of an existing labor agreement, provide a copy of the full agreement including all amendments, extensions, and/or renewals. If new labor agreement(s) will be negotiated prior to the commencement of the Disposal Agreement, provide a memorandum of understanding between the labor organization and company outlining the terms and conditions of the agreement, wage rates, employee benefits, and work rules.

6.4.5 Past Performance Record

1. Litigation and Regulatory Actions. Describe past and pending civil, legal, regulatory, and criminal actions (including arrests, indictments, litigation, grand jury investigations, etc.) now pending or that have occurred in the past five years against the key personnel identified above, proposing entity, its parent company, and all subsidiaries owned by proposing entity.
2. Payment of Fines, Penalties, Settlements, or Damages. Provide a statement disclosing any and all fines, penalties (including liquidated damages or administrative fees in excess of \$25,000 in any one calendar year), settlements, or damages of any kind paid by proposer, its parent company and subsidiaries, to public agencies in the past five years. For each payment, list the amount the company has paid, the name of the jurisdiction to which damages were paid, and the event(s) which triggered the damages. Identify what personnel and/or policy changes the company made in response to such incidents (e.g., terminated or reassigned employees involved, new process protocols, etc.).

The requirements of Section 6.4.5 apply to:

1. Disposal operations and transfer operations (as applicable) conducted in the Greater Bay Area (defined as Alameda, Contra Costa, Monterey, Napa, San Mateo, Santa Clara, Solano, and Sonoma counties).

2. Proposers who operate in multiple counties or states with independent management structures need only report such actions relative to the operations managed by the management team proposed to be responsible for this contract.
3. Lawsuits which involved only claims for personal injury or property damage arising from vehicle accidents which resulted in defense verdicts or in judgments against defendant, or settlements of less than \$10,000, need not be disclosed.

The occurrence of past or pending civil, legal, regulatory, or criminal actions does not automatically disqualify a company from participating in this process. However, failure to report such actions, whether discovered before or after the City executes the Disposal Agreement, shall be considered a material omission and may form the basis for disqualifying a proposer or terminating the Disposal Agreement.

6.4.6 Financial Information

1. Financial Statements. Submit audited financial statements for the most-recently completed fiscal year for the legal entity(ies) that would execute the Disposal Agreement. All such statements are to be prepared in accordance with Generally Accepted Accounting Principles applied on a consistent basis and shall be audited in accordance with Generally Accepted Auditing Standards by an Accountant certified in the State of California and shall include a statement by the chief financial officer (CFO) of the entity(ies) that there has been no material adverse change in such condition or operations as reflected in the submitted balance sheet and income statements since the date on which they were prepared. The proposer may submit an electronic version of the audited financial statements or may provide a website address linking to audited financial statements if available on the proposer's website. Printed copies of the statements do not need to be submitted with the proposal if an electronic copy is provided or web access is made available.
2. Financing Plan. To the extent that provision of services under the Disposal Agreement will trigger the need to significant capital investment, describe the plan for financing all capital requirements (i.e., those listed on Cost Proposal Form 4) in a "Sources and Uses of Funds" format, which describes the sources of required capital (e.g., banks, leasing companies, cash reserves, etc.) and uses (e.g., property, trucks, equipment, containers, reserves, etc.). Attach supporting documents (e.g., letters from banks or leasing companies) that demonstrate your ability to implement the financing plan.

6.5 Transfer and Transport (Optional)

If more than one site is proposed, the information should be provided separately for each site.

6.5.1 General Site Information

Provide the following:

- Describe the facility site location, owner, and operator.

- General operating parameters, including days and hours of operation, ability to accept materials when not in full operation, average and guaranteed turn-around times for vehicles delivering material, and any other factors that may materially affect material delivery or site operation.
- Summary description of transfer methods.
- Method of tracking tonnage, and if the facility is receiving tonnage from other jurisdictions, how the tonnages from each jurisdiction are separately accounted for.

6.5.2 Permits and Regulatory Compliance

Provide contact names for regulatory agencies that monitor the facility's compliance with applicable local, state, and federal laws and regulations including name of the regulatory agency, contact person's title, and telephone number.

6.5.3 Transfer and Transport Services

- Permitted Throughput. State the permitted daily throughput and the average daily throughput.
- Capacity Guarantee. Provide a written commitment guaranteeing throughput capacity (on a daily basis) for each of the proposed materials. Proposer shall describe how it calculated daily capacity needs. If a proposed facility is not owned and operated by the proposer, the proposer shall include a letter of commitment from the facility owner/operator guaranteeing capacity.
- Expanded or New Facility. If the capacity to be guaranteed to the City relies on an expansion of the transfer station or development of a new transfer station, describe the expansion/development plans, additional capacity to be constructed, schedule for expansion/development, and permitting status of the expansion/development plan.
- Diversion Activities. If the proposer plans to conduct any manual sorting of solid waste at the transfer station prior to loading out for delivery to the disposal facility, proposer shall describe what types of recovery activities it plans, the types of materials targeted for recovery, and the anticipated diversion level as a percentage of incoming tonnage.
- Contingency Plans. Discuss contingency plans for providing services in the event that for whatever reason and on a temporary basis, some or all of the guaranteed capacity is not available at the proposed facility, including proposing alternative facilities for temporary use.

6.6 Disposal

If more than one site is proposed, the information should be provided separately for each site.

6.6.1 General Site Information

Provide the following:

- Describe the facility site location, owner, and operator.

- General operating parameters, including days and hours of operation, ability to accept materials when not in full operation, average and guaranteed turn-around times for vehicles delivering material, and any other factors that may materially affect material delivery or site operation.
- Summary description of transfer or processing methods.
- Method of tracking tonnage, and if the facility is receiving tonnage from other jurisdictions, how the tonnages from each jurisdiction are separately accounted for.
- At proposer's option, proposer may highlight any other features of facility site operations.

6.6.2 Permits and Regulatory Compliance

Provide contact names for regulatory agencies that monitor the facility's compliance with applicable local, state, and federal laws and regulations including name of the regulatory agency, contact person's title, and telephone number.

6.6.3 Disposal Services

- Permitted and Remaining Site Capacity. State the permitted and remaining capacity of site, if applicable, and the average daily quantity of solid waste disposed.
- Capacity Guarantee. Provide a written commitment guaranteeing capacity (on a daily basis and annual basis) for the City's solid waste at commencement of the agreement and through the 20 year term. Proposer shall describe how it calculated the daily and annual capacity needs. If a proposed facility is not owned and operated by the proposer, the proposer shall include a letter of commitment from the facility owner/operator guaranteeing capacity.
- Expanded or New Facility. If the capacity to be guaranteed to the City relies on an expansion of the disposal facility or development of a new disposal facility, describe the expansion plans/development plans, additional capacity to be constructed, schedule for expansion, and permitting status of the expansion plan.
- Import Restrictions or Fees. List any import restrictions, taxes, or fees that will be applicable to the receipt of materials from the City. If there is an import restriction on accepting solid waste, organic materials, or recyclable materials (as proposed) from outside of the local jurisdiction, describe the process to have the import restriction waived.
- Assurances. Discuss the financial mechanisms that are in place to effectively indemnify site users.
- Contingency Plans. Discuss contingency plans for providing services in the event that for whatever reason and on a temporary basis, some or all of the guaranteed capacity is not available at the proposed facility, including proposing alternative facilities for temporary use.

6.7 Material Drop-Off (Optional)

Proposers are requested to provide an option for material drop-off as described in Section 3.3.3. Proposers should describe all aspects of the program including: the location, ownership, permitting and zoning compliance, and availability of the proposed site; scheduled availability of the site for public use;

estimated tonnages collected; program publicity, and; verification of residency. As discussed in Section 3.2.1 and in Table 3-4, Disposal Proposals must address the disposal of material from City facilities and special events at not added cost of

6.8 Rate Proposal

Pricing for Collection Services and Disposal Services must be entirely specific to the given set of services, and offered on a standalone basis. The offer of contingent pricing by a proposer submitting proposals for both Collection Services and Disposal Services will result in disqualification of the proposer. "Contingent pricing" is defined as pricing that in any way conditions award of and/or pricing of one service on the award or pricing of the other. This provision applies whether the contingent pricing is in addition to, or in lieu of the required separate pricing.

Proposers shall complete the Rate Forms provided in Attachment 4, as detailed on the "Instructions" worksheet, with inclusion of completed forms as Section 7 of the proposal. In general:

1. Proposers must provide a discrete proposed rate and specified rate components for disposal and for transfer and transport as applicable.
2. The cost of providing the "Material Drop-Off" services described in Section 6.7 should be included in the contractor's component of the proposed disposal rate.
3. Each per-ton rate includes the following components. Proposers must address each component.
 - a. Facility operation, inclusive of all costs associated with owning, operating and maintaining the facility including all day-to-day operations, maintenance, environmental and regulatory monitoring and compliance. Includes closure and post-closure maintenance, and financial assurance for disposal facilities.
 - b. Government fees assessed by various governmental or regulatory agencies.
4. Proposers must provide a per-hour rate for transport costs for transfer facilities and the related assumption(s) for tons per load.

6.9 Acceptance of Franchise Agreement

Proposer are required to review the Disposal Agreement, as applicable prior to submitting its proposal to the City. The City expects the Disposal Agreement will be executed by the selected contractor in substantially the same form as presented in Attachment 3. This review process allows the proposer to prepare the proposal and costs for services with full consideration of its rights and obligations.

Proposer must describe in detail any proposed exceptions to the Disposal Agreement. For each exception, proposer shall identify the exception, explain its concern, and provide alternative language for consideration by the City. To document the proposer's exceptions to either agreement and proposed alternative language, proposer shall record its exceptions and proposed alternative language directly in an electronic version of the Disposal Agreement and include a hard-copy, redline and strikeout version, of the Disposal Agreement in its proposal. Any proposed changes to language in either agreement must be made using MS Word redline and strikeout functions only. Other software may not be used. Proposer

shall also complete any information in the Disposal Agreement that needs to be tailored to the company's proposal such as, but not limited to, the contractor's name, guarantor's name. Each location in the Disposal Agreement where proposer-specific information is to be inserted is identified with a note to proposer that provides instructions.

The City shall reserve the right to determine if the exceptions are reasonable.

Proposer will be deemed to have accepted and agreed to any provisions of the Disposal Agreement that have not been noted as exceptions in the proposal. If the City chooses to enter into negotiations with a proposer, the noted comments and recommended alternative Disposal Agreement language will serve as a starting point for discussion. With this understanding, the selected contractor may not initiate discussion related to Disposal Agreement language for which no exceptions were noted. The City may request the proposer to sign the Disposal Agreement before City Council makes the final contractor selection.

6.10 Other Proposal Forms

6.11.1 Secretary's Certificate

Each proposer shall complete and submit the Secretary's Certificate, Attachment 5, documenting the designated representative authorized to bind the proposing company.

6.11.2 Anti-Collusion Affidavit

Each proposer shall complete and submit the Anti-Collusion Affidavit, Attachment 6. The Anti-Collusion Affidavit shall be signed by the designated representative authorized to bind the proposing company as documented on the Secretary's Certificate.

6.11.3 Iran Contracting Act Certification

Each proposer shall complete and submit the Iran Contracting Act Certification, Attachment __. The Iran Contracting Act Certification shall be signed by the representative identified by the Secretary's Certificate.

6.11 Additional Information (Optional)

Additional information or data relevant to the proposal is optional and may be included by a proposer as an attachment(s) to the proposal.

SECTION 7: PROPOSAL EVALUATION PROCESS

7.1 Overview

Section 7 details the sequential proposal evaluation process for the Collection Proposals and Disposal Proposals. An evaluation team will conduct a detailed evaluation of both sets of proposals, with facilitation from HF&H staff. The City Council will review the evaluation team's evaluation reports for the Collection Proposals and Disposal Proposals and select the future contractor for each. City staff will negotiate the final Franchise Agreement and Disposal Agreement with the selected contractor(s). The City Council will approve the final agreements. The City or its consultant may seek proposer clarifications at any point in the process. The following details the sequence of steps the City will follow for the evaluation and contractor selection process.

7.2 Initial Review

The City will evaluate both Collection Proposals and Disposal Proposals against the following minimum requirements. Proposals that fail the initial review for reasons other than an offer of contingent pricing may receive further evaluation at the sole discretion of the City.

- A minimum of 10 years of experience in providing the proposed or comparable services to municipal governments at a similar scale.
- Comprehensiveness and consistency of the proposal with respect to this RFP.
- Mathematical logic and accuracy.
- Review of proposer exceptions to the RFP or Agreement to determine if material exceptions could hinder successful negotiation of an agreement.
- Determination whether, for entities submitting both Collection Proposals and Disposal Proposals either proposal contains contingent pricing as defined in Sections 5.9 and 6.8.
- Compliance with all other RFP and procurement procedures.

7.3 Disposal Proposal Evaluation and Contractor Selection

Disposal Proposals will be evaluated, the new disposal contractor will be selected, and negotiation of the new disposal agreement will be completed prior to evaluation of the Collection Proposals. However, as discussed below, the solid waste off-route costs provided by Collection Proposers will be used in evaluating Disposal Proposals.

The factors that will be considered by the evaluation team in evaluating the Disposal Proposals include the criteria identified below. Application of the criteria will be tailored to transfer and transport (if applicable), disposal and material drop-off services.

Experience and Qualifications (30%)

- Operating Experience. Demonstrated experience of company providing the requested or similar services to other jurisdictions.
- Performance Record. Review of company's history with litigation and regulatory action (e.g., nature of past and pending civil, legal, regulatory, and criminal notices of violation and actions; history and nature of payments of liquidated damages, penalties, damages, etc.) and regulatory compliance related to equipment and facilities including compliance with land use permits, storm water discharge permits, State highway requirements, etc.
- Financial Stability. Financial strength and ability of company to provide financial assurance of contract performance and of long-term regulatory compliance.

Technical Approach (30%)

- Proposed facility disposal site and transfer site (as applicable) considerations such as, but not limited to:
 - Facility Location and Accessibility - Reasonableness of facility location and accessibility for delivery.
 - Operations - Reasonableness of key operating characteristics (i.e., operating days per week, turnaround time of vehicles, load checking programs, reporting, etc.).
 - Guaranteed Facility Throughput – Adequacy of daily throughput guarantees at the transfer station for the term of the agreement (if transfer services are proposed).
 - Permitted and Guaranteed Capacity – Adequacy of the capacity on a daily basis and for the length of the agreement (if disposal services are proposed).
 - Facility Expansion or Modification Plans (if any) – Reasonableness of any plans to expand or modify an existing facility, and the impact on acceptance of tonnage if completion is delayed.
 - New Facility Development Plans (if any) – Reasonableness of any new facility development plans, and impact on acceptance of tonnage if development of a new facility is delayed.

Environmental Considerations (10%)

Evaluation may include, but not be limited to:

- Diversion Ability (if applicable) – The nature and reliability of proposed diversion of solid waste from landfill disposal.
- Use of Alternative Fuels
- Odor/Site Acceptability

Acceptance of RFP and Franchise Terms (30%)

- Number and Nature – The number and nature of exceptions to the RFP and Franchise Agreement relative to other proposers.
- Likelihood of Prompt and Successful Negotiations – The likelihood that the City will be able to promptly and successfully negotiate changes to and finalize the Franchise Agreement with the proposer.

Rate Proposals

- Reasonableness - The reasonableness, accuracy, and consistency of the proposer's operational, labor, capital, cost, rate, and rate revenue proposals.
- Competitiveness - The competitiveness of company's proposed rates relative to rates proposed by others.

During disposal evaluation, the evaluation team will use the off-route transport pricing provided by Collection Proposers to determine the full cost to the City for use of the proposed transfer and disposal sites identified in each Disposal Proposal.

For the purposes of evaluating the rate proposals, the City may: develop its own estimation of the future tonnage levels and use its assumptions to compare one company's rate proposal to other companies' rate proposals; estimate the annual value, and the net present value of a potential contract based on the proposed rates; estimate the cost of the collection vehicles transporting materials to the proposed facilities and consider such costs in the evaluation, and/or; estimate the cost of the transfer vehicles in transporting materials to the proposed facilities and consider such costs in the evaluation.

The evaluation team will provide the results of its evaluation to the Council, and seek direction regarding negotiating a final Disposal Agreement. The evaluation team may present the general results of the evaluation to Council prior to presenting the full results, may elect to bring one or more executed Disposal Agreements to the Council for its review, or may take other similar steps. The evaluation team will then return with an executed Disposal Agreement for final Council approval.

7.4 Collection Proposal Evaluation and Contractor Selection

Following award and execution of the Disposal Agreement, the evaluation team will evaluate the Collection Proposals. The evaluation includes review of the qualitative criteria identified below, and evaluation of costs. The relative weighting of the qualitative criteria is identified below for each criteria.

Experience and Qualifications (10%)

- Collection and Processing Experience
 - Demonstrated experience of company providing the requested or similar services to other jurisdictions.

- Demonstrated experience of company's ability to implement new collection and processing services and new franchise agreements and obligations that are similar to the City's services in comparable sized communities.
- If the proposer is a joint venture, demonstrated experience of parties working together.
- Satisfaction of company's references with the services received in the past 10 years (including, but not limited to, implementation, customer service, call center, billing, payment of fees, reporting, and the handling of contractual issues).
- Key Personnel Qualifications. Extent and relevance of the qualifications and experience of key personnel proposed for the transition team and on-going management of the City's collection and processing services.
- Performance Record. Review of company's history with litigation and regulatory action (e.g., nature of past and pending civil, legal, regulatory, and criminal actions; history and nature of payments of liquidated damages, penalties, damages, etc.) and regulatory compliance related to equipment and facilities including compliance with land use permits, storm water discharge permits, State highway requirements, etc.
- Financial Stability. Financial strength and ability of company to acquire equipment and provide financial assurance of performance based on review of its audited financial statements and its proposed financing plan and the relationship of the City's contract to the company's total annual revenues.

Technical Approach (40%)

A. Technical Proposal for Base Collection Services

1. Collection Approach – Reasonableness and reliability of the proposed collection methods, technology, equipment, containers; productivity and operating assumptions (i.e., number of routes, route drivers, route hours, stops per route, and other operating statistics).
2. Processing and Marketing - Realistic plan and guaranteed capacity for recyclable materials, and organic materials.
3. Public Outreach Program – Compatibility (relative to other proposers) of the proposed outreach program, staffing levels, and program ideas with the needs of the City and the requirements of the Franchise Agreement; and, the quality of sample materials relative to other proposers.
4. Multi-Family and Commercial Recycling Technical Assistance – Proposed approach to providing multi-family and commercial customers with comprehensive, results-oriented recycling technical assistance.
5. Customer Service – Compatibility (relative to other proposers) of customer service approach and staffing levels with the needs of the City and the requirements of the Franchise Agreement.
6. Billing System – Compatibility (relative to other proposers) of billing approach, procedures for handling customers, and coordination plan with City.

7. Implementation Plan - Reasonableness of implementation schedule and ability to meet deadlines (e.g., reasonableness of equipment procurement schedules, implementation staffing levels, new corporation or maintenance yard development, and contingency plans).
8. Facilities for Equipment, Maintenance, and Administration - Compatibility (relative to other proposers) of plan for providing the facilities needed for equipment storage; parking, maintenance, administration; and, if applicable, transfer of materials. Level of assurance provided, if any, with regard to site acquisition and timely development of necessary facilities.
10. Customer Convenience - Relative degree to which proposed services provide for customer convenience.
11. Other - Other technical considerations may be evaluated.

B. Technical Proposals for Alternative Services

- Collection Approach (if applicable) - Reasonableness and reliability of the proposed collection methods, technology, equipment, containers; productivity and operating assumptions (i.e., number of routes, route drivers, route hours, stops per route, and other operating statistics).
- Customer Convenience - Relative degree to which proposed services provide for customer convenience.
- Other - Other technical considerations may be evaluated.

Diversion Plans (20%)

- Diversion Ability (if applicable) - The nature and reliability of proposed diversion Base Services and Alternative Services programs to divert solid waste from landfill disposal, and to comply with AB 341 and AB 1826.

Acceptance of RFP and Franchise Terms (30%)

- Number and Nature - The number and nature of exceptions to the RFP and Franchise Agreement relative to other proposers.
- Likelihood of Prompt and Successful Negotiations - The likelihood that the City will be able to promptly and successfully negotiate changes to and finalize the Franchise Agreement with the proposer.

Cost Proposals

- Reasonableness - The reasonableness, accuracy, and consistency of the proposer's operational, labor, capital, cost, rate, and rate revenue proposals.
- Competitiveness - The competitiveness of company's proposed costs relative to costs proposed by others.

The evaluation team will provide the results of its evaluation to the Council, and seek direction regarding negotiating a final Franchise Agreement. The evaluation team may present the general results of the evaluation to Council prior to presenting the full results, may elect to bring one or more executed

Franchise Agreements to the Council for its review, or may take other similar steps. The evaluation team will then return with an executed Franchise Agreement for final Council approval.

**AMENDMENT No. 1 TO AGREEMENT
FOR CONSULTATION AND OTHER SERVICES**

This Amendment is entered into this 16th day of June, 2015, by and between the City of Milpitas, a municipal corporation of the State of California (hereafter referred to as "CITY") and HF&H Consultants LLC, a California Limited Liability Company (hereafter referred to as "CONSULTANT").

RECITALS

WHEREAS, the parties entered into an Agreement on December 2, 2014 entitled "Consultant Services Agreement between the City of Milpitas and HF&H Consultants LLC" ("Agreement") for solid waste procurement services in the amount of \$55,525 with an expiration date of December 1, 2019; and

WHEREAS, the parties desire to increase scope of work and compensation by \$49,925 for additional consultation services.

NOW THEREFORE, in consideration of the mutual covenants and conditions herein contained, the parties agree to amend the Agreement as follows:

1. Section 2, entitled "Compensation" of the Agreement is amended in its entirety to read as follows:

Section 2. COMPENSATION. City hereby agrees to pay Consultant an amount not to exceed One Hundred Five Thousand Four Hundred Fifty Dollars (\$105,450) for all services to be performed and reimbursable costs incurred under this Agreement. City shall pay Consultant for services rendered pursuant to this Agreement at the time and in the manner set forth herein. The payments specified below shall be the only payments from City to Consultant for services rendered pursuant to this Agreement. Consultant shall submit all invoices to City in the manner specified herein. Except as specifically authorized by City, Consultant shall not bill City for duplicate services performed by more than one person.

Consultant and City acknowledge and agree that compensation paid by City to Consultant under this Agreement is based upon Consultant's estimated costs of providing the services required hereunder, including salaries and benefits of employees and subcontractors of Consultant. Hourly rates for personnel performing services shall be as shown in Exhibit B. Consequently, the parties further agree that compensation hereunder is intended to include the costs of contributions to any pensions and/or annuities to which Consultant and its employees, agents, and subcontractors may be eligible. City therefore has no responsibility for such contributions beyond compensation required under this Agreement.

2. Exhibit A, entitled " Scope of Work " of the Agreement is amended in its entirety and to be replaced to read as shown in the attached Exhibit A-1.

3. Exhibit B, entitled "Scope of Work" of the Agreement is amended to add Table B-1 as shown in the attached Exhibit B-1 for additional scope of work under the Agreement.
4. The Consultant agrees to maintain and pay for all insurance policies as stated in Section 4, entitled "Insurance Requirements" of the Agreement dated December 2, 2014, between HF&H Consultants LLC, and the City of Milpitas. The Consultant shall provide the City with renewal certificates of the current policies upon the expiration of the current policy.
5. All other provisions of the Agreement shall remain in full force and effect.

This Amendment is executed as of the date on this page.

APPROVED BY:

CITY OF MILPITAS

CONSULTANT

Thomas C. Williams, City Manager

Consultant Name and Title

Steven J. Machida, Director of Engineering

APPROVED AS TO FORM:

Michael J. Ogaz, City Attorney

Exhibit A-1 – SCOPE OF WORK.

PURPOSE

The City's intent is to provide solid waste management system for its community that protects the public health in a sustainable manner, conforms to State regulations, and positively benefits the quality of life of its residences and business community everyday. Regulations, cultural values, and industry best practices have changed since the City entered its current collection, processing, and disposal agreements with Republic Services more than 20 years ago. While generally successful (as indicated by rates and waste diversion levels), the City is being challenged in its ability to respond to these changes in the manner that it adjusts costs, determines rates, and administers the agreement. This challenge will increase as regulations continue to change and market forces drive up the cost of processing and disposal options.

The City desires to plan for its future collection, diversion, and disposal demands in a manner that is reflective of current and projected conditions, regulations, and opportunities. By acting now, the City will anticipate its needs, evaluate its options, and act strategically with an understanding of its long-term best interest. The primary object of this project engagement is to assist the City through the process of selecting the most advantageous option and proceeding with implementation of procurement for solid waste, recyclables, and yard trimmings collection, diversion, processing, and disposal services.

Task 1 – Evaluate Future Options

Consultant shall evaluate two primary options: extend the solid waste contract with Republic Services or issue an RFP to multiple vendors. Consultant shall analyze recently negotiated municipal service contracts and develop pros/cons and cost/benefits for each option. This task shall include three (3) conference calls with staff. This task shall also include three (3) presentations to governing bodies, such as City Council or its committees.

Deliverables:

1. Prepare a technical memorandum document findings.
2. Participate in three (3) conference calls with City staff to discuss options.
3. Prepare power point presentations and attend three (3) public meetings before the City Council or other committees or commissions.

Task 2 –Policy and Program Development

City Council will select an option. The level of effort to develop and implement the extension with the current service provider may be less than the effort to develop and implement a vendor selection process and build a service contract. Therefore this task is to provide time and materials to start implementation as directed by City Council and staff. This task includes conference calls and meetings as needed.

Deliverables: To be determined at a later date based on direction from City Council.

Task 3 –Pre-RFP Release Outreach

Consultant shall communicate with potential proposers to obtain up-to-date information regarding solid waste services. Consultant shall prepare materials for, attend, and lead discussion at community outreach meetings.

Task 4 –Development of RFP

Consultant shall complete a draft of the request for proposals (RFP) for City staff review, meet with staff to discuss their comments and potential changes, and finalize the RFP for release following Council review.

Task 5 –Development of Agreements

Consultant shall complete drafts of the collection and processing agreement and the disposal agreement for City staff review and finalize draft agreements for release with the RFP.

Task 6 –Pre-RFP Release Council Meetings

Consultant shall prepare materials for and attend two Council meetings.

Task 7 –RFP Release

Consultant shall manage the release of the RFP, including developing draft and final proposer lists with updated contact information, and posting the RFP package to a dedicated webpage for the City's RFP process. Consultant shall facilitate the pre-proposal meeting to present the RFP and address proposer questions. Consultant shall also manage the process of responding in writing to proposers' written questions (up to 100) through several RFP addenda. Consultant shall prepare draft responses to the questions for City review and finalize the addenda for posting to the procurement website.

Task 8 –Initial Review of Proposals

Consultant shall conduct the initial evaluation of both the collection and disposal proposals to determine if each proposal meets the minimum standards approved by the City Council, such as minimum qualifications, completeness of each proposal, nature of material exceptions to the agreements, and lack of contingent pricing. Consultant shall also review the mathematical accuracy and logical consistency of pricing proposals and seek any required clarifications at this phase so that such clarifications are in-hand prior to the Evaluation Committee's review of proposals. Consultant shall discuss the initial review with City staff and identify likely next steps.

Task 9 – Engagement Management

Consultant will prepare and amend detailed work plans, monitor engagement progress, and provide sufficient resources to ensure timely completion of the engagement, review analytical results and interim findings, review the draft and final reports, and respond to questions regarding the progress of the engagement and other issues. This task also includes organization of work papers related to the project.

Exhibit B-1 Compensation Schedule

Table B-1

		Vice President	Senior Manager	Senior Associate	Associate	Administrative	Total	Proposed	Notes	Work Products
		\$235	\$225	\$170	\$135	\$100	Hours	Cost		
Task 1 Evaluate Future Options										
	Meet with Council to determine course of action.	0	0	0	0	0	0	\$0	Task completed under original budget.	Council presentation.
	Task 1	0	0	0	0	0	0	\$0		
Task 2 Policy and Program Development										
	Preparation for, and facilitation of four planning meetings with staff, and related coordination on key issues such as billing and debris boxes.	2	2	0	0	0	4	\$920	Task largely completed under original budget. Remaining budget is to respond to City requests for input., as needed.	Materials to guide decision making on key policy and program issues, with lists of followup activities.
	Task 2	2	2	0	0	0	4	\$920		
Task 3 Pre-RFP Release Outreach										
	Three outreach meetings and ongoing communication with interested parties.	0	8	0	0	2	10	\$2,000	Task largely completed under original budget, with the exception of finalizing and making the community presentation on May 20th and potential proposer followup.	Three presentations; meetings /phone calls with 6-8 proposers.
	Task 3	0	8	0	0	2	10	\$2,000		
Task 4 Development of RFP										
	Develop draft and final versions of the RFP and cost forms.	4	18	0	20	10	52	\$8,690	Initial work on draft RFP completed under original budget. Fee estimate addresses completing draft and final versions.	Draft and final versions of the RFP and costs forms.
	Task 4	4	18	0	20	10	52	\$8,690		

		Vice President	Senior Manager	Senior Associate	Associate	Administrative			Notes	Work Products
		\$235	\$225	\$170	\$135	\$100	Total Hours	Proposed Cost		
Task 5 Development of Agreements										
	Develop draft and final versions of two agreements.	4	24	16	0	4	48	\$9,460	Initial work on draft agreements completed under original budget. Fee estimate addresses completing draft and final versions of both agreements.	Template/sample agreements; two sets (collection and disposal) of draft and final agreements for City review.
	Task 5	4	24	16	0	4	48	\$9,460		
Task 6 Pre-RFP Release Council Meetings										
	Prepare for and present materials at two Council meetings. Includes coordination with City staff.	6	10	0	0	4	20	\$4,060	First of two meetings was conducted under the original budget. Fee estimate addresses preparation for, and attendance at June 16 Council meeting.	Two presentations.
	Task 6	6	10	0	0	4	20	\$4,060		
Task 7 RFP Release; Activities During Proposal Development										
	RFP Release	0	2	0	0	8	10	\$1,250	HF&H to set up procurement webpage, finalize proposers release list, upload materials to website, and advertise RFP availability.	Webpage, email communications.
	Pre-Proposal Meeting in Late July	0	6	0	0	1	7	\$1,450	HF&H to facilitate meeting to discuss RFP and process with proposers	Meeting agenda.
	Develop and Distribute Addenda - July through September	2	16	4	4	6	32	\$5,890	HF&H to develop draft answers to proposer questions for City review, and for release in up to three addenda.	Written answers and draft addenda.
	Task 7	2	24	4	4	15	49	\$8,590		

		Vice President	Senior Manager	Senior Associate	Associate	Administrative	Total	Proposed	Notes	Work Products
		\$235	\$225	\$170	\$135	\$100	Hours	Cost		
Task 8 Initial Review of Proposals										
	Initial HF&H evaluation of both sets of proposals to determine if all minimum standards are met.	1	8	0	10	12	31	\$4,585	HF&H to perform initial compliance review of proposals and perform mathematical accuracy and logical consistency review of costs.	Conference call with City staff to discuss results of initial review.
	Task 8	1	8	0	10	12	31	\$4,585		
Work Continuation										
	Provides for continuation of critical path work pending City review and approval of fee estimate for next steps.	6	28	10	4	0	48	\$9,950		
	Subtotal	6	28	10	4	0	48	\$9,950		
Engagement Management										
		2	4	0	0	0	6	\$1,370		
Total Costs										
	Labor	27	126	30	38	47	268	\$49,625		
	Out-of-Pocket Expenses							\$300		
	Total Budget							\$49,925		